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1969 Annual Report

Virgin Islands

to the

Secretary of the Interior

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1969 Annual Report
Virgin
Islands

*to the
Secretary of the Interior*

For the Fiscal Year Ended June 30



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Dr. Melvin H. Evans, Presidential nominee for Governor of the Virgin Islands, talks with members of the Interior and Insular Affairs Committee of the United States Senate and Presidential nominee for the Territory of Guam at the close of the hearings held by the Committee in Washington, D.C., where President Nixon's two appointments were approved. Left to right: Dr. Carlos Camacho, Governor of Guam, Senator Gordon Allott of Colorado, Governor Evans, Senator Ted Stevens of Alaska, and Senator Quentin Burdick of North Dakota.

GENERAL INFORMATION

History

Christopher Columbus, sailing to the New World on his second voyage in 1493, dropped anchor on the north side of St. Croix and the island's first "visitor" took in the unspoiled tropical beauty and rolling hills of a Caribbean paradise. The spot is known today as Salt River Bay, one of the many picturesque inlets in the U.S. Virgin Islands.

The Great Navigator named his "discovery" Santa Cruz, meaning "Island of the Holy Cross" and sent a landing party ashore to replenish the ship's dwindling water supply. Instead of the warm welcome visitors receive today, Columbus' men were repulsed by the fierce Carib Indians. No further attempts were made to land and colonize until 1555 when the hostile Caribs were driven from St. Croix by the soldiers of King Charles V of Spain.

Columbus was so impressed with the beauty of the island chain, he christened them "Las Virgenes" in honor of St. Ursula and her 11,000 martyred virgins.

The value of these and the other islands of the West Indies soon became apparent to the crowned heads of Europe and colonization was encouraged. England, France, Holland, and Spain vied for control during the 17th century with sugar as the principal attraction. So important was trade with the West Indies that Great Britain, negotiating with France to end the Seven Years' War in 1763, seriously considered keeping the Island of Guadeloupe instead of Canada.

Denmark played the most important role in the development of the U.S. Virgin Islands. Entering the picture in 1671, she chartered the West India Co. and began serious colonization of St. Thomas and St. John. St. Croix was purchased from France in 1733. Except for a brief period of British occupation during the Napoleonic Wars, the Danes ruled these islands until 1917.

Thus began a golden age of commerce and peaceful development for the Virgin Islands, blessed by the Danish policy of neutrality and liberal trading laws. Ships of all the nations of Europe, carried to the fine harbor of Charlotte Amalie on St. Thomas by the constant easterly trade winds, gathered there and a booming trade with the New England States of the new American nation supported the burgeoning island economy.

Sugar was king and its influence was felt everywhere. Throughout the Islands of St. Thomas, St. Croix, and St. John, massive stone windmills were erected for grinding cane. Many of these towers remain reminders of a by-gone era and evidence of a once flourishing plantation life.

With wealth came the unfortunate byproducts, greed and avarice. The Caribbean became the hunting ground of such notorious pirates as Captain Kidd and Edward Teach, the notorious Blackbeard. It is said the Virgin Islands were spared the depredations of these buccaneers by paying "protection" in the form of sanctuary and commercial privileges.

Sugar brought great prosperity to the islands and the plantation owners. It also brought misery and privation to the thousands of slaves who were introduced from Africa in the 1680's to work the canefields. Their suffering finally erupted into revolt. On St. John, after a bloody mutiny, the slaves held the islands for 6 months until the French forces arrived from Martinique to help the Danish masters regain their land. Legend has it that the last survivors of the ill-fated uprising committed mass suicide by plunging over a cliff or shooting themselves rather than face a return to servitude.

Slavery was finally abolished by an enlightened Denmark in 1848, 15 years prior to the publication of the U.S. Emancipation Proclamation. From then on, sugar decreased in commercial importance in the Virgin Islands, outdone by the more favorable conditions for cane operations in Cuba and elsewhere.

The United States took its first interested look at the islands during the American Civil War. However, a purchase agreement fell through when the Senate refused to ratify the negotiations in 1870. Bargaining continued throughout the century but it wasn't until World War I that the United States moved decisively. Fearing a German seizure that would give U-boats a base in the Caribbean, the United States bought the Danish Virgins in 1917 for \$25 million. The U.S. Navy was delegated to administer the islands and assumed responsibility on March 31 of that year.

Geography

The U.S. Virgin Islands lie some 1,434 nautical miles southeast of New York City, 991 miles from Miami, Fla.; and 40 miles east of Puerto Rico, 75 air-miles from San Juan.

The islands are a part of the Antilles

which form the dividing line between the Caribbean Sea and the Atlantic Ocean. They are located directly in the path of the trade winds, so commercially important in the days of sail, at the eastern end of the Greater Antilles and the northern end of the Lesser Antilles.

The U.S. Virgins consist of some 50 islands and cays of volcanic origin. Their neighbors, the British Virgins, are made up of another 30 similar islands and cays.

Only three islands in the U.S. group are of any population or commercial significance. The largest of these, St. Croix, with 84 square miles is, for the most part, flat, and suited for agricultural use. Forty miles due north, St. Thomas with 28 square miles, offers dramatic rugged mountains that rise sharply from the sea to heights of up to 1,500 feet. A few miles east of St. Thomas, the Island of St. John with 20 square miles, offers similar land and sea scapes. Both islands rise from the same submarine plateau. Between these two islands and St. Croix, the Caribbean Sea deepens to a 15,000-foot trench.

Because of the steep sloping mountainsides, very little land on St. John or St. Thomas is tillable. St. Croix, however, is well suited to agriculture, and priority is being given to the advancement and diversification of this industry. Until recently, sugar cane was the only important crop. However, it had been a marginal one and had cost the local government large sums of money to cover milling losses. Consequently, sugar has been phased out and terminated as a commercial crop. Instead, industry has been encouraged to develop and over 4,000 acres of prime land is being utilized under a comprehensive agricultural plan now being developed. This includes broad research into feasible food crops, middle-range programs for agricultural

development and a long-range plan to preserve the agricultural character and natural beauty of the island.

St. Croix has two improved harbors. The one at Christiansted, considered to be one of the most picturesque under the U.S. flag, attracts pleasure yachts and medium-sized commercial craft from other West Indian islands. A deep water harbor at Frederiksted on the east end of St. Croix accommodates ocean liners and is responsible for increased cruise ship traffic to the island. In addition, a full-size airport with direct jet flights to the mainland has further enhanced the growing tourist trade.

St. Thomas, whose agricultural resources are limited by its rugged landscape, more than makes up for this deficiency with its excellent natural harbor. It is one of the ranking ports of call for cruise ships, and the expansion of its airport facilities has now allowed for jet travel from the mainland to the island.

St. John's main attraction is its unspoiled beauty, guaranteed to remain so since much of the island is taken up by the Virgin Islands National Park. The incomparable beaches, breathtaking mountain views, and lush vegetation bring an increasing number of visitors each year, who explore the island's charm by jeep or boat.

The U.S. Virgins enjoy a near perfect climate. Temperatures stay within the 70° to 90° range with an average 78°. The balmy trade winds provide natural air conditioning. Humidity is comfortably low with rain-fall averaging about 45 inches a year.

There is an abundant variety of tropical flora ranging from the well-known hibiscus, bougainvillea, oleander, poinsettia, and wild orchid, to the less common African tulip, frangipani, and lignum vitae. Many other flowering trees and shrubs add to the

island's color and fragrance. Coconut and royal palms are everywhere while the quieter beachers are lined with mangrove, mahoe, and seagrape trees. Exotic fruits from native trees grace the tables of Virgin Islanders, the more popular being mango, soursop, lime, guava, sugar apple, avocado, papaya, genep, and mammee apple.

Though there is no large commercial fishing industry, the natives, through their individual efforts, make fish an important part of their daily diet. The Virgin Island waters, particularly in the game fishing sense, are rapidly becoming recognized as a prime fishing area. Blue marlin, wahoo, tuna, tarpon, kingfish, and bonefish are taken the year round while white marlin and sailfish are caught during most months. The Virgin Islands now holds the world record for the largest blue marlin. Smaller fish also abound. They include grouper, "old wife," yellow tail, and angelfish.

The islands provide stone, sand, and gravel as building materials but there are no minerals of commercial significance.

Government

The Virgin Islands have been governed by many nations. The flags of Spain, France, Holland, England, Denmark, and the United States have flown over all three islands and St. Croix, for a brief time, was administered by the Knights of Malta.

When the United States purchased the Virgin Islands in 1917, the transition was accomplished smoothly by retaining the Danish legal code as the basic law. The Navy was given responsibility for administering the islands until 1931. Military, civil, and judicial power were vested in the Naval Governor, who was appointed by the President of the United States.

On February 27, 1931, an Executive order from the White House trans-

ferred jurisdiction from the Navy to the Department of the Interior, and the first civilian Governor was appointed by the President.

A major change in the method of governing the islands occurred with the passage of the Revised Organic Act of 1954 by which the Congress authorized distinct executive, legislative, and judicial branches and provided for a substantial degree of self-government. Recent changes in the act provide for an even greater degree of home rule.

Presently, the Governor is appointed by the President, subject to Senate confirmation and exercises the executive power under the supervision of the Secretary of the Interior. In 1970, by recent congressional act, he will be elected by the people of the Virgin Islands for the first time in Virgin Islands history. The Governor is responsible for execution of local laws, administration of all activities of the executive branch, and the appointment of department heads and other employees. He reports annually to the legislature on the state of the territory and recommends new legislation to carry out the various programs of local government.

The government secretary also is appointed by the President. In the absence of the Governor, the government secretary serves as acting Governor. He also has administrative responsibility for banking and insurance laws and the licensing and assessment of real property.

The unicameral legislature is elected for 2-year terms. There are 15 senators, five from St. Croix, five from St. Thomas, one from St. John, and four elected at large by Virgin Islands voters of all the islands. Each bill passed must be signed by the Governor before it becomes law. A two-thirds vote of the legislature is necessary to override the Governor's veto. In this event, the

Governor must approve it or submit it to the President for final action.

The judge of the district court of the Virgin Islands and the U.S. district attorney are appointed by the President of the United States. The district court exercises jurisdiction over felony violations of the local criminal code as well as jurisdiction over crime arising under Federal law. The municipal court judges are appointed by the Governor, and confirmed by the legislature. The municipal court exercises jurisdiction over misdemeanor violations and traffic offenses under the local law.

Civil cases involving less than \$500 are handled by the municipal court; cases involving from \$501 to \$10,000 are handled by either the municipal court or the Federal court; all cases over \$10,000 are in the exclusive jurisdiction of the Federal court.

The district court of the Virgin Islands exercises appellate jurisdiction over the municipal court in civil and criminal cases. The U.S. Court of Appeals for the Third Circuit, Philadelphia, and the U.S. Supreme Court exercise appellate jurisdiction over the district court of the Virgin Islands.

Finances and Taxes

There are three principal sources of revenue for the government of the Virgin Islands from which funds are derived for capital and operating disbursement.

The largest source and one that is growing every year, is from local income taxes. An act of the Congress of the United States provides that Federal income tax schedules be applied as a local tax in the Virgin Islands. Another major contributor to the treasury consists of Federal excise taxes collected in the United States on imports of Virgin Islands products and returned to the local government as matching funds. In order to receive funds, the islands

must raise through local taxes, funds which match in size the excises to be rebated.

In addition, the Federal Government assists the islands by appropriations and grant-in-aid allotments for many activities in employment services, public assistance, health and diseases services, wildlife, and libraries. There are over 60 such aid programs and appropriations.

Economic Development

Tourism continues to be the most important industry in the Virgin Island. Income from visitors' expenditures during fiscal year 1969 reached a new record high of over \$112,268,245 as compared with more than \$100 million in fiscal year 1968.

Efforts continue toward the creation of a broader industrial and agricultural base within the islands' economy. To establish and maintain this economic stability, small manufacturing firms are continually being encouraged to establish operations in the islands. On St. Croix, two large industrial concerns are in production, providing employment opportunities for a large number of citizens.

Such diversification provides year-round employment at good wages for many islanders, and has helped bring about a higher standard of living than ever existed under the one-crop, one-industry, sugar economy of old. Virgin Islanders' per capita income is in excess of \$2,700 and is by far the highest in the entire Caribbean.

The sale of rum, the distilling of which is a major industry of the islands, is promoted through the Virgin Islands Rum Council, supported jointly by the rum distillers and the local government.

Tax exemptions and subsidy benefits long have been used by the local government to encourage industrial development. Incentives for private invest-

ment in hotels, guesthouses, industrial concerns, and housing projects include tax exemptions of up to 16 years and the return of 75 percent of income taxes in the form of subsidy.

Virgin Islands manufacturers of goods that contain not more than 50 percent of foreign raw materials are allowed duty-free entry into the United States of their products under section 301 of the U.S. Tariff Act. To guard against abuses of section 301, the local government sets up production quotas for certain classifications of textiles, and on the manufacture of watches, with higher taxes provided for production in excess of the quotas. The watch production legislation was supplanted in January 1968 by a congressional act designed for the same purpose but applicable as well to other territorial areas subject to the same section 301 treatment.

Population

The Virgin Islands are in the midst of a population explosion. Currently, the resident population is estimated at 62,802, including alien workers and part-time residents, and it is expected this will jump to 71,000 by 1970. The total labor force is in excess of 32,000.

In 1960 the census recorded the resident population at 32,099. A breakdown of the 1960 population figures records 15,930 males and 16,169 females. Residents of urban communities numbered 18,017; 14,082 lived in rural areas, while 8,892 were enrolled in schools. The total labor force was 11,336, of which 7,363 were male and 3,971 female. Unemployment was listed at 3.4 percent.

English is the traditional language of the Virgin Islands. Some French is spoken by citizens of French descent on St. Thomas, and many Spanish-speaking families have come from

Puerto Rico, chiefly settling in St. Croix.

The people are devout and worship in many churches including Roman Catholic, Anglican, Lutheran, Methodist, Jewish, Moravian, Seventh-Day Adventist, Pilgrim Holiness, Christian Mission, Dutch Reformed, and Baptist.

Health and Education

The Virgin Islands have set an example for the entire Caribbean in the preservation of health, the development of education, and the replacement of slums with modern housing.

Each year sees further advances in hospital and public health services, and construction of two multimillion-dollar health centers designed to provide adequate facilities for the long-range needs of the community is contemplated. Diseases once associated with tropical climates have long since been eradicated, and the climate eliminates the need for home heating or heavy clothing, further contributing to the good health of the Virgin Islands.

Educational standards continue to be upgraded. Public schools cover kindergarten through high school, and the islands' two major high schools have full accreditation. The College of the Virgin Islands, established in 1963, has reached an enrollment of 332 full-time students and nearly 1,000 part-time students and in fiscal 1969 became a 4-year institution offering programs in liberal arts and teacher education.

In addition, the college will continue to offer seven 2-year programs.

Communication and Transportation

All three Virgin Islands enjoy the facilities of a dial telephone system that is being constantly expanded to meet the growing needs of the community. Marine cables have been installed that have made possible direct dialing to Puerto Rico and to the mainland. Worldwide radio telegraph service is also available.

The islands are served by three radio stations, two television stations, and five newspapers, three of them dailies.

While most visitors come by air, flying in jet planes to Puerto Rico and then by smaller planes to the islands, aircraft design of recent years has affected this travel pattern. With the introduction of medium-range jet aircraft, capable of takeoffs and landings from short runways, the islands are now serviced by daily direct jet service from New York City and Miami. A growing regular seaplane service operates between the principal islands. Aside from short-stay cruise ship passengers, there are very few people who arrive by boat. Small native sloops and charter boats carry travelers between islands and to the nearby British Virgin Islands.

Local transportation is provided by bus, taxis, and rented vehicles. Most roads are paved, with continued improvement each year, and driving is on the left side of the road.

HIGHLIGHTS OF THE YEAR

Housing and Community Renewal

Very significant advances were made in the areas of housing and community renewal. Money from the moderate income housing revolving fund was used to complete or help finance 495 homes in three developments. Eight housing projects, using Federal funds and including 1,503 units, were either under construction or planned at the end of the year. Urban renewal programs showed excellent progress, with four projects underway, one in the planning stage and several others proposed and under study.

Department of Conservation

Impetus for the programs of the newly created Department of Conservation and Cultural Affairs was provided by receipt of the first installment of a \$2.7 million a year royalty, to be used exclusively for conservation and cultural projects, on the Hess Oil import quota granted by the Department of the Interior.

Pollution Control

One of the first projects undertaken by the new Department of Conservation is the updating and expansion of the Islands' sewage and waste disposal systems. A master plan is being implemented that will provide sewer systems and waste disposal facilities well within today's more stringent standards of air and water pollution control.

Tektite I Undersea Study

Greater Lameshur Bay, off the coast of St. John, was the stage for the dramatic Tektite I man-in-the-sea project in February. Four aquanaut-scientists,

living in a habitat 50 feet under the sea, conducted the longest continuous undersea study yet attempted by a diving team. Purpose of the project was to garner data necessary for the increasingly complex undersea and space missions of the 1970's.

Public Education

Great strides were made in public education as public school enrollment increased at an unprecedented rate of 9.5 percent. It was determined that alien children would for the first time be enrolled in the school system, and it is expected that by next year all children of school age in the Virgin Islands will be enrolled.

A 4-Year College Program

The College of the Virgin Islands began its expansion to a 4-year baccalaureate program, offering majors in seven subjects and enrolling the first 19 juniors in September. The first bachelor of arts degrees will be awarded in June, 1970.

Conference on Caribbean Development

Coinciding with the opening of the world's largest combination desalting and power plant on St. Thomas, the first Annual Virgin Islands Conference on Caribbean Development was held in November. The conference was sponsored by the Virgin Islands Water and Power Authority, the College of Virgin Islands, and the Government. Opened by Secretary of the Interior Stewart L. Udall, the conference was devoted to study of water desalting as the key to future tourist, commercial

and agricultural development of the Virgin Islands and the entire Caribbean area. Representatives from 15 Caribbean governments attended the conference.

A New Governor

Dr. Melvin H. Evans was nominated by President Richard M. Nixon to become Governor of the Virgin Islands. He took the oath of office on July 1, 1969, succeeding Acting Governor Cyril E. King who had held the post since the resignation of Governor Paiewonsky in February.

Electric Power Production

Total power production on St. Croix rose to a new high of 84 million kilo-

watt hours or 19 million kilowatt hours higher than the previous year. On St. Thomas, production rose 26.5 million kilowatt hours to 124 million hours total.

Higher Salaries for Government Employees

The new personnel program for government employees, designed to elevate standards of government service and improve employee performance, added, in 1969, approximately \$5,200,000 in new salaries for regular budgeted positions. Increased security for employees was provided with the classification as to tenure of a number of previously unclassified positions.



Aquanauts of Tektite I team join in ceremonies with symbolic key to their underwater habitat before spending a month 50 feet under the water off the island of St. John.

SELECTED LEGISLATION APPROVED BY THE SEVENTH LEGISLATURE OF THE VIRGIN ISLANDS, JULY 1968– JUNE 1969

Act No. 2317—To amend Chapter 5 of Title 33, Virgin Islands Code, Relating to Gasoline Taxes.

Act No. 2318—To amend the Provisions of Chapter 8 of Title 3 of the Virgin Islands Code Relating to the Establishment of the Positions of Medical Examiner, the Issuance of Subpoenas by the Attorney General and for Other Purposes.

Act No. 2319—To Provide for the Contracting for Publication of Official Notices.

Act No. 428—To Express Congratulations on the 100th Anniversary of Hampton Institute, Hampton, Va.

Act No. 2320—To Provide for the Financing of New Health Centers in the Virgin Islands.

Act No. 2327—To Provide Appropriations From Available Balances in the Internal Revenue Matching Fund for Essential Public Projects for the Fiscal Year July 1, 1968, to June 30, 1969, and for Other Purposes.

Act No. 2328—To amend Act No. 2268 (Bill No. 3647) “An Act To Provide Appropriations for Salaries and Expenses for the Operation of the Government of the Virgin Islands During the Fiscal Year July 1, 1968, to June 30, 1969.”

Act No. 2329—To Provide for the Continuity of the Aedes Aegypti Mosquito Control Program and for Other Purposes.

Act No. 2333—To Extend the Term of the Educational Program for Mentally Retarded Children Established by Act No. 1575, Approved February 17, 1966.

Act No. 2334—To Amend Act No. 2034 (Bill No. 3399), as Amended by Act No. 2075 (Bill No. 3453) “To Authorize the Commissioner of Labor To Erect a Memorial to Virgin Islands War Veterans.”

Act No. 2335—To Authorize the Continuation of the State Technical Services Program in the Fiscal Year July 1, 1968 to June 30, 1969 and To Provide an Appropriation Therefor.

Act No. 2336—To Amend Act No. 1911, Approved April 17, 1967, Relating to the Rum-Producing Industry in the Virgin Islands, and for Other Purposes.

Act No. 2338—To Authorize the Issuance of Revenue Bonds for the Completion of Certain Bulkhead Improvements at Crown Bay, St. Thomas.

Act No. 2339—To Amend Section 17 of Act No. 2238, Relating to the Report of the Select Commission on the Reorganization of the Government of the Virgin Islands.

Act No. 2340—To Further Amend Act No. 1259, Approved October 30, 1964, as Amended, Relating to Issuance of General Obligation Bonds for Certain Purposes.

Act No. 2342—To Amend Certain Provisions of Title 18 of the Virgin Islands Code, Relating to Elections.

Act No. 2343—To Amend Act No. 2036, Approved August 7, 1967, Relating to the Agreement With Hess Oil Virgin Islands Corp.

Act No. 2344—To Establish the State Planning Agency for the Virgin Islands for the Purposes of the Omnibus Crime Control and Safe Streets Act of 1968.

Act No. 2345—To Modify the Provisions of Act No. 1419 Authorizing the Commissioner of Education To Enter Into Contracts for the Transportation of School Children in the Virgin Islands.

Act No. 2347—To Authorize the Borrowing of Funds From the Government Insurance Fund for Land Acquisition Purposes, and for Other Purposes.

Act No. 2348—To Amend Act. No. 2134 (Bill No. 3570), Seventh Legislature, Regular Session 1968, Relating to the Assessment of Administrative Penalties for Filing of Application for License After Statutory Deadline.

Act No. 2352—To Amend Section 406 of Title 14 of the Virgin Islands Code Relating to Bribing Certain Public Officers.

Act No. 2360—To Authorize the Governor to Execute a clarifying Amendment to the Agreement of September 1, 1965, Between the Government of the Virgin Islands and Hess Oil Virgin Islands Corp.

Act No. 2361—To Amend Portions of Title 3, Chapter 22, and Section 96 of the Virgin Islands Code to Transfer the Administration and Operation of Publicly Supported Libraries From the Department of Education to the Department of Conservation and Cultural Affairs.

Act No. 2362—To Provide Appropriations from the Virgin Islands Con-

servation Fund for the Fiscal Year July 1, 1968 to June 30, 1969.

Act No. 2363—To Provide for the Construction, Including the Financing, of Certain Low-Cost Housing Units in the Bourne Field Area, St. Thomas, Virgin Islands.

Act No. 2364—To Establish a Virgin Islands Public Television System.

Act No. 2365—To Authorize the Acquisition of Certain Rights-of-Way Needed for Road Purposes in St. Croix, Virgin Islands.

Act No. 2366—To Amend Chapter 5, Title 30 of the Virgin Islands Code, Relating to the Virgin Islands Water and Power Authority.

Act No. 2369—To Provide for Improvements to Water Systems in St. Croix and To Repeal Act No. 2104.

Act No. 2375—To Create the Virgin Islands Port Authority; To Authorize the Issuance of Bonds for the Port Authority, and for Other Purposes.

Act No. 2379—To Provide for Negotiation for the Construction of Hospital Complexes in St. Croix and St. Thomas.

Act No. 2383—To Amend Subchapter VIII, Chapter 25, Title 3, Virgin Islands Code, Relating to Health and Life Insurance for Certain Employees of the Government of the Virgin Islands, and for Other Purposes.

Act No. 2385—To Amend Chapter 1, Title 1 of the Virgin Islands Code, Pertaining to the Correction of Errors and Classification of Acts Prior to Publication.

Act No. 2386—To Amend the Provisions of Section 407 of Title 13 of the Virgin Islands Code Relating to the Withdrawal of Foreign Corporations.

Act No. 2387—To Provide an Appropriation for the Payment of a Judgment Entered Against the Government of the Virgin Islands in the Amount of \$250.00 in the Case of Daniels v.

The Government of the Virgin Islands (Municipal Court Civil No. 355-1966).

Act No. 2388—To Regulate the Practice of Physical Therapy in the Virgin Islands and for Other Purposes.

Act No. 2389—To Extend the Exemption From Taxes to the Virgin Islands Telephone Corporation for an Additional Period of 6 Years.

Act No. 2392—To Approve the Extension of Certain Tax Exemption Benefits to Laga Industries Limited.

Act No. 2397—To Petition the Governor to Take Immediate Action to Implement the Provisions of Law Pertaining to the Investigation of Food Prices for the Protection of Consumers.

Act No. 2398—To Provide for a Comprehensive Program of Recreation Development in Frederiksted, St. Croix, and for Other Purposes.

Act No. 2400—To Amend the Following Titles of the Virgin Islands Code: Title 27 to Provide for Professional Immunity to Registered Nurses in Emergency Cases; Title 19 to Provide for Mandatory Reporting of Certain Physical Abuses of Children by Registered Nurses; Title 27 Relating to the Requirements for Licensing Registered Nurses and Nurse-Midwives, and for Other Purposes.

Act No. 2401—To Establish a Special Commission to Study and Make Recommendations on the Status and Problems of Noncitizens in the Virgin Islands.

Act No. 2403—To Add New Sections to Chapter 23 of Title 3, Virgin Islands Code, Pertaining to the Establishment of the Virgin Islands Commission for Human Resources and for Other Purposes.

Act No. 2409—To Add a New Chapter 3 to Title 8, Virgin Islands Code, Pertaining to Alcoholic Beverages, Fair Trade Contracts, Price Schedules and for Other Purposes.

Act No. 2411—To Amend Act No. 2253 (Bill No. 3714), "An Act to Provide for the Reapportionment of the Legislature of the Virgin Islands, To Amend Certain Provisions of Title 18, Virgin Islands Code, and for Other Purposes."

Act No. 2414—To Provide for the Licensing of Practical Engineers and for Other Purposes.

Act No. 2416—To Amend Subsection (b) of Section 64, Title 24, Virgin Islands Code, Relating to the Rights of Employees to Self-Organization.

Act No. 2419—To Amend Certain Provisions of Title 18, Virgin Islands Code, Relating to Elections.

Act No. 2426—To Rerumber and Amend Section 3027, Title 33 of the Virgin Islands, Relating to the Nontax Revenue Fund.

Act No. 2431—To Prescribe the Duties of the Lieutenant Governor of the Virgin Islands in Accordance With the Provisions of the Revised Organic Act of the Virgin Islands as Amended.

Act No. 2436—To Establish An Advisory Committee to the Virgin Islands Housing Authority and for Other Purposes.

Act No. 2443—To Provide Certain Positions Exempted From the Career Service and for Other Purposes.

Act No. 2453—To Make an Appropriation for the 1969 St. Thomas Carnival and for Other Purposes.

Act No. 2457—To Amend the Official Zoning Maps for St. Thomas, and for Other Purposes.

Act No. 2458—To Provide an Appropriation for the Purchase of Reprint Pamphlets of the Virgin Islands Code, and Binders for the Virgin Islands Slip Laws and Virgin Islands Register as Authorized by Act No. 922 (Bill No. 1728), and for Replacement Volumes of the Virgin Islands Code.

Act No. 2461—To Make an Appropriation to the Department of Public

Safety for Improvement of Recreational Facilities at Richmond Penitentiary and the Restoration and Improvement of King's Hill Police Station, St. Croix, and for Other Purposes.

Act No. 2462—To Provide an Appropriation to Assist the Members of the Senior Class of St. Joseph's High School, Frederiksted, St. Croix, In Making an Educational and Cultural Student Trip in the Caribbean Area in May, 1969, and for Other Purposes.

Act No. 2466—To Amend Chapter 27 of Title 4, Virgin Islands Code, To Authorize the Appointment of Librarians for the Law Libraries of the District Court in St. Thomas and St. Croix.

Act No. 2470—To Authorize a Study Leave for a Translator for Instruction in the Translation of Danish Gothic Script and for Other Purposes.

Act No. 2480—To Amend Act No. 2315, Relating to the Legal Rate of Interest.

Act No. 2485—To Provide Appropriations for Salaries and Expenses for the Operation of the Government of the Virgin Islands During the Fiscal Year July 1, 1969, to June 30, 1970.

Act No. 2486—To Fix the Regular Expenses of the College of the Virgin Islands for the Fiscal Year July 1, 1969, to June 30, 1970, and for Other Purposes.

Act No. 2487—To Provide an Appropriation for the Government Insurance Fund and Operating Expenses of the Department of Labor for the Fiscal Year July 1, 1969, to June 30, 1970.

Act No. 2489—To Appropriate Funds From the Operating Fund of the Virgin Islands Lottery for Foster Care and Day Care for the Fiscal Year July 1, 1969, to June 30, 1970.

VIRGIN ISLANDS WATER AND POWER AUTHORITY

Personnel: 282

The Authority took over the operation of the electric power and water distillation facilities for the Islands on June 1, 1965. In the 4 years since the government acquired the facilities from the former Virgin Islands Corp., owned by the Federal Government, demands for electric power and water have almost tripled.

The Authority generates and distributes electricity on St. Thomas and St. Croix and, via submarine cables, serves St. John, Water Island, and Hassel Island.

There are now three sea water distillation plants on St. Thomas with a capacity of 3,750,000 gallons per day and one plant on St. Croix with a capacity of 1 million gallons per day. All water distilled by Authority plants is pumped into the facilities of the Public Works Department and this department distributes it to the consumers.

During fiscal 1969, the St. Thomas distillation plants produced a total of 397.8 million gallons of distilled water and sold 367.4 million gallons. The St. Croix plant produced a total of 71.6



Multistage flash evaporator sea water desalting plant at Krum Bay, St. Thomas, is designed to manufacture 2½ million gallons of distilled water daily.

million gallons in its first year of operation and sold 69.9 million gallons.

Demand for electric power reached an all-time high during the year, with the demand on St. Croix increasing 29 percent over the previous year and that on St. Thomas climbing 27 percent above the demand during fiscal 1968. At the close of the fiscal period, a total

of 20,244 customers were served by the Authority's electric distribution system. There were 11,046 customers in the St. Thomas-St. John service area. The total reflected an increase of 1,944 customers over the last fiscal year.

Following is a tabulation of electric bills issued during fiscal years 1966, 1967, 1968, and 1969:

| | 1966 | | 1967 | | 1968 | | 1969 (approx.) | |
|----------------|---------------|--------------|---------------|--------------|---------------|--------------|----------------|--------------|
| | St. Thomas | St. Croix | St. Thomas | St. Croix | St. Thomas | St. Croix | St. Thomas | St. Croix |
| Residential... | 83,218 | 63,171 | 91,211 | 69,788 | 99,423 | 76,755 | 108,581 | 87,180 |
| Commercial... | 12,234 | 12,441 | 13,011 | 13,679 | 14,533 | 14,497 | 15,887 | 15,813 |
| Large power... | 984 | 863 | 1,329 | 1,159 | 1,646 | 1,392 | 1,978 | 1,517 |

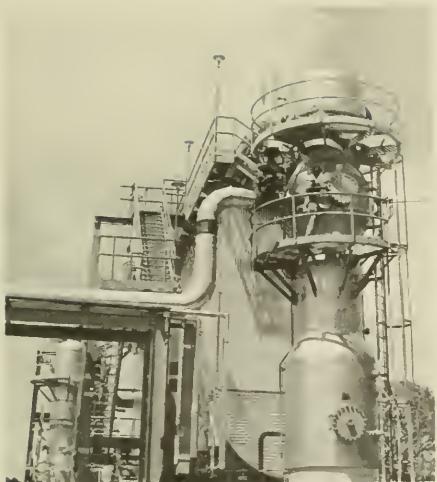
Total power production on St. Croix during the fiscal year was 84 million kilowatt hours, or 19 million kilowatt hours higher than the total for the previous fiscal year. On St. Thomas, the total production was 124 million kilowatt hours, or 26.5 million higher than fiscal 1968.

Maximum peak demand on St. Thomas for the fiscal year was 22,000 kilowatts as compared to the 1968 peak of 16,300 kilowatts. On St. Croix, the maximum peak demand was 15,450 kilowatts against the previous year's peak of 11,800 kilowatts.

The St. Thomas plant has eight diesel generators and three steam turbine generators with a total capacity of 36,800 kilowatts. The St. Croix plant has nine diesel-driven generators and one steam turbine generator with a total capacity of 22,992 kilowatts.

The following is a listing of the plants:

| St. Thomas plant: | Kilo-watts |
|-------------------------------|------------|
| Unit No. 1 diesel..... | 600 |
| Unit No. 2 diesel..... | 600 |
| Unit No. 3 diesel..... | 2,500 |
| Unit No. 4 diesel..... | 600 |
| Unit No. 5 diesel..... | 750 |
| Unit No. 6 diesel..... | 1,250 |
| Unit No. 7 diesel..... | 2,000 |
| Unit No. 8 steam..... | 3,000 |
| Unit No. 9 diesel..... | 3,000 |
| Unit No. 10 steam..... | 7,500 |
| Unit No. 11 steam..... | 15,000 |
| Total kilowatts available.... | 36,800 |
| St. Croix plant: | |
| Unit No. 1 diesel..... | 429 |
| Unit No. 2 diesel..... | 234 |
| Unit No. 3 diesel..... | 248 |
| Unit No. 4 diesel..... | 1,000 |
| Unit No. 5 diesel..... | 965 |
| Unit No. 7 diesel..... | 2,216 |
| Unit No. 8 diesel..... | 2,400 |
| Unit No. 9 diesel..... | 1,000 |
| Unit No. 10 steam..... | 10,000 |
| Unit No. 12 diesel..... | 4,500 |
| Total kilowatts available.... | 22,992 |



New plant to desalt sea water on St. Croix is designed to manufacture 1 million gallons of distilled water daily.

On St. Croix, the Authority has a mutual aid contract with Harvey Alumina which can provide up to 4,500 kilowatts in emergencies and when available.

To provide more back-up power on the Island of St. Thomas, the Governing Board authorized purchase of a 15-MW gas turbine generating plant. This unit is expected to arrive on the Island in September 1969, and to be placed in commercial operation in October 1969.

For back-up power for the Island of St. Croix, the Governing Board authorized purchase of a 4,500-kilowatt diesel generator. This unit was scheduled to start operation in July 1969 but was damaged in shipment and is now expected to be in commercial operation by November 1969.

The 750 kilowatt diesel engine (unit No. 6) which needed major maintenance was removed from the power plant to accommodate the new unit.

On February 19, 1968, by Resolution No. 47, the Governing Board

ratified and approved the purchase of a 15,000-kilowatt net steam electric powerplant from IGE Export Division of the General Electric Co. for St. Croix Island. This plant will have provisions for future addition of a 2½-million-gallons-per-day distillation plant. Construction of this plant is progressing and 55 percent of the work was completed at the end of the fiscal year. It is anticipated that this unit will be in commercial operation by January 1, 1970.

On St. Thomas the 15,000-kilowatt International General Electric steam generating plant, under construction since last year, was placed into commercial operation on August 27, 1968, but has not had "final acceptance."

By Resolution No. 70, the Governing Board authorized the public sale of electric system bond anticipation notes—1969 in the amount of \$11,200,000. The notes were sold to The Chase Manhattan Bank, N.A., at an annual interest rate of 4.74 percent per annum on April 15, 1969, maturing April 15, 1970.

In fiscal 1969, a total of 2,795 applications and contracts for electric services were executed in St. Croix and 2,767 in St. Thomas.

For water, the island of St. Thomas depends on rainfall, private cisterns, hillside catchment areas, barging water from Puerto Rico, and desalination of sea water. The island of St. John depends on rainfall, catchment areas, and water barged from St. Thomas. Presently, there are no water production facilities under the jurisdiction of the Authority on St. John. The island of St. Croix depends on catchment areas, well water, and desalination of sea water.

Existing water distillation facilities on St. Thomas and St. Croix are as follows:

| | Manufacturer | Capacity (g.p.d.) | Year installed |
|----------------------------|--------------|----------------------|-------------------|
| St. Thomas: | | | |
| Aqua Chem..... | | 275, 000 | 1962 |
| Westinghouse..... | | 1, 000, 000 | 1967 |
| Baldwin-Lima-Hamilton..... | | 2, 500, 000 | 1968 |
| St. Croix: | | | |
| Stearns-Roger..... | | 1, 000, 000 | 1968 |

With the addition of the Baldwin-Lima-Hamilton plant and the Stearns-Roger plant in 1968, the Virgin Islands have plants constructed by the four largest manufacturers of distillation plants in commercial operation in the United States.

Presently, the Baldwin-Lima-Hamilton plant is the world's largest single steam combined water and power-plant. The Stearns-Roger plant is the first commercial multiple effect desalination plant in the world. This plant is also the largest long-tube vertical desalination plant in the world.

The Authority's desalting plants all produce water of 10 p.p.m. total dissolved solids which is much better than the 250 p.p.m. limitations generally required by the U.S. Government for public consumption, and all plants are dual purpose, extracting steam after it has spent some energy in a turbine which provides power for electric generation.

The Authority has a contract with the Office of Saline Water for provid-

ing operating and maintenance data on its desalination plants.

In November 1968, the Virgin Islands Water and Power Authority served as host for representatives from 15 Caribbean countries for the First Annual Virgin Islands Conference on Caribbean Development. The theme of this first conference was "New Water—Key to the Future of the Caribbean."

The 2½-million-gallons-per-day Baldwin-Lima-Hamilton desalting plant on St. Thomas, and the 1-million-gallons-per-day Stearns-Roger desalting plant on St. Croix were dedicated during the conference.

The Virgin Islands Water and Power Authority Governing Board has nine members. The Governor of the Virgin Islands is chairman, the Commissioner of Public Works is vice-chairman, the Commissioner of Commerce, and the Director of the Budget are members by position. There are also two local businessmen from St. Thomas, two from St. Croix, and one from St. John who are appointed to the Board.

VIRGIN ISLANDS PORT AUTHORITY

Personnel: 236

Operating Appropriation \$2,042,293

Prior to February 12, 1969, the responsibility for the seaports and marine terminals of the Virgin Islands was under the Marine Division of the Department of Commerce. Also, prior to that date, air terminals and various industrial, commercial, residential, and recreational developments were the responsibility of the Virgin Islands Airport and Industrial Resources Agency, a temporary agency within the office of the Governor. On February 12, 1969, the Virgin Islands Port Authority was activated under authority of act No. 2375 of the Virgin Islands Legislature. This act combined the functions of the former Marine Division and the Virgin Islands Airport and Industrial Resources Agency into a new instrumentality, the Virgin Islands Port Authority, with a new form or organization.

In accordance with the legislative enactment the purpose "of the Authority shall be to establish, acquire, construct, develop and improve, own, operate and manage any and all types of air terminals, marine terminals and industrial, commercial, residential and recreational developments, and to make available the benefits thereof in the widest economic manner, thereby promoting the general welfare and increasing commerce and prosperity."

The Virgin Islands Port Authority was established as an autonomous instrumentality of the Government of

the Virgin Islands with authority to contract and to hold title to property in its own name separate from the Government of the Virgin Islands. The Authority is governed by a nine-member Board of Directors, on which the Governor of the Virgin Islands is a statutory member with one vote.

The first meeting of the board of directors was held on February 12, 1969, and meetings have been held at regular intervals since then to direct the affairs of the Authority. Specifically, the Authority has responsibility for the management, operation, maintenance, and development of the following areas: Harry S. Truman Airport, Sub Base, Veterans Drive bulkhead and apron, St. Thomas harbors, Red Hook dock, Cruz Bay dock, Coral Bay pier, Gallows Bay Marine Terminal, Christiansted harbor, Port Harvey (public area), Frederiksted pier, Frederiksted harbor, Lindbergh beach, and Alexander Hamilton Airport.

The report of the Authority for fiscal 1969 covers the activities of the Virgin Islands Airport and Industrial Resources Agency through February 12, 1969, when this agency was incorporated into the newly-created Port Authority.

During the fiscal year, five scheduled airlines, four scheduled air taxis, nine nonscheduled air taxis and charters, and three cargo airlines operated in the Virgin Islands.

Major capital improvement projects continued or planned during the year were as follows:

1. Preparation of a master plan for a new jetport in St. Thomas.
2. Construction of a new International Arrivals Building at the Alexander Hamilton Airport.
3. Improvements to Terminal Building, Alexander Hamilton Airport.

A special feature this year was the conduct of an air show in St. Croix in January, 1969.

Other Highlights of the Year

During the year continued efforts were made toward development of the plans for a new airport in St. Thomas. Contracts were executed for preparation of preliminary airport lay-out

plans, construction plans, specifications, and a revenue feasibility study.

It is expected that when this phase of planning is completed, the construction of a new and safe airport capable of meeting the future needs of the islands will have advanced one more step toward becoming a reality.

A new customs preclearance facility was constructed at the Harry S. Truman Airport in St. Thomas and was put into operation during the fiscal year.

St. Thomas Airport and Industrial Operations

Revenues realized from the operations of Port Authority facilities in St. Thomas amounted to \$905,395. These receipts were supplemented by contributions from the Government to



Recently enlarged to take direct jet flights from the mainland, Harry S. Truman Airport stretched behind Lindberg Bay on St. Thomas. In background is the campus of the College of the Virgin Islands.

meet the total operating budget of \$1,066,701.

Once again the number of passengers, aircraft landings, and cargo movements through the Harry S. Truman Airport reached record heights in the fiscal year 1969. There were 566,586 in-bound passengers, an increase of 59,141 passengers over the previous year.

New activity at the Harry S. Truman airport included the inauguration of direct air service from New York to St. Thomas by Trans Caribbean Airlines, and Eastern Airlines service between St. Thomas and Miami.

St. Croix Airport Operations

The cost of operation for the Alexander Hamilton Airport amounted to

\$390,050. These costs were funded by revenues and supplemental allotments provided by the Government.

At this airport, in-bound passengers numbered 228,417, an increase of 55,090 over the previous year.

Marine Operations

Revenues generated from harbor operations in the Virgin Islands amounted to \$453,077, in the fiscal year 1969 with operating cost of \$459,582.

A total of 491 cruise ships visited the Virgin Islands during the year, an increase of 149 over fiscal year 1968. Of these visits, 424 were made to St. Thomas and 67 to St. Croix ports. The ship visits brought a total of 213,541 passengers to the islands, an increase of 47,424 over the previous year.



Tourism remains the Islands' biggest industry. Last year, 67 cruise ships docked at St. Croix; 491 at St. Thomas, bringing hundreds of thousands of visitors to the Islands.

PUBLIC UTILITIES COMMISSION

Personnel: 3

Operating Appropriation: \$50,000

Fiscal 1969 was a year of vigorous action by the commission in its efforts to conduct thorough examinations of all utilities subject to its regulation. Of particular importance were the improvements in telephone service resulting from the commission's efforts in this area.

Telephone Service

The commission continued its investigation into the quality of service provided by the Virgin Islands Telephone Corp. (Vitelco) and recently initiated another phase of the investigation to consider rate structures. In the interests of achieving better quality service and an assurance of adequate telephone plant from Vitelco, the commission's consultants made several investigative field trips, issued two reports, recommended corrective measures to be taken by Vitelco, assisted in the implementation of commission orders requiring corrective action by Vitelco, and participated in formal hearings before the commission.

Earlier, in December 1967, the commission's consultants had compiled a report on telephone service with recommended corrective measures. A commission order of remedy (No. 3-68), issued in January 1967, directed Vitelco to adopt certain minimum service standards for dial tone delay and operator speed of answer; to make changes in certain central office equipment; to adopt an intelligible system

of tones and announcements which would inform subscribers why a call could not be completed; to conduct traffic engineering studies; to improve transmission qualities; to correct microwave cutoffs and to implement a program to increase and retain competent plant personnel so that less work by outside contractors would be required.

In fiscal 1969, the consultants conducted additional investigations which resulted in two reports. The first, issued in August 1968, resulted in remedial commission order No. 9-68, requiring Vitelco to establish a permanent register of subscriber requests for service, which is now in service. The first report further evaluated the need for Vitelco to expedite installation of additional central office equipment.

In October 1968, a further report was prepared by the consultants informing the commission that Vitelco had failed to comply with the commission's order No. 3-68; that substandard service had not improved except in regard to microwave cutoffs and carrier toll trunks in St. Croix, and that Vitelco's activities to improve existing dial service were relatively minor.

A week-long hearing, held in December 1968, was extremely useful in eliciting vital information; in securing firm commitments from the company to undertake various remedial actions at specified dates; and in bringing the

situation to the attention of ITT-New York.

This has resulted in a loosening of restrictions on budgetary commitments and greater efforts to improve service.

A short formal hearing was also held under the direction of commission order No. 10-68 to determine the appropriate accounting treatment in regard to Vitelco's premature retirement of certain rural distribution wire.

Substantial service improvements in many areas have been made. Microwave cutoffs between the islands have become negligible due to the complete refurbishing of equipment. Vitelco has inaugurated a system of recorded announcements which will inform a subscriber as to why a call cannot be completed.

The 1969 budget indicates that Vitelco will hire and train an increased number of plant personnel with a corresponding cutback in outside contractor work. An additional 16 toll position board was installed in Charlotte Amalie central office and additional operators have been hired and trained, which will improve operator speed of answer and toll conditions.

Much progress has been made in Vitelco's capital expenditure commitments for expansion of telephone plant to relieve present deferred service applications and to meet future demands. A community dial (central) office in the Tutu area is now under construction and will be in service by March 1970. The proposed new central office on St. Croix in the Kings Hill area is scheduled for completion by June 1970. Other expansion programs include installations, in the spring of 1970, of a new community dial (central) office on St. John to relieve deferred service applications there and the addition of a second floor to the present Charlotte Amalie central office in 1970 to permit future equipment additions.

Throughout the year, the commission and its consultants have been studying problems relating to the inward and outward long-distance toll circuitry, including changes in operating procedures of various companies, transfer of ownerships and reallocation of voice grade circuits. The result was a substantial reduction in long distance rates in August of 1968.

The commission is continuously engaged in surveillance of Vitelco's activities through analysis of the monthly and special reports which Vitelco is required to file.

A new series of hearings is scheduled for late 1969. Data compiled during these hearings will enable the commission to propose additional remedial action.

Vicom

Having expanded its service, Virgin Isle Communications, which provides marine radio-telephone communications, answering services to subscribers and VHF radio-telephone service to land and mobile stations, has reorganized its operations. During the coming year, the commission plans to conduct a study of this reorganization and subsequently report its findings.

Passenger Bus Service

General service, both on St. Thomas and St. Croix, continues to expand. On St. Croix several new units have been added, and approval of additional routes is being sought to expand the transportation network.

Additions were also made to the fleet in St. Thomas, as a result of demands by rural developments and those throughout the expanding industrial park at the sub base area.

It is expected that the new rules governing passenger bus service now being prepared will be a major contribution to operating efficiency.

BOND ISSUE AND INTERIM FINANCING

At the beginning of fiscal year 1969, the general government had \$11,750,000 outstanding in general obligation bonds, and \$6,853,000 in bond anticipation notes for various public improvements and the Virgin Islands Water and Power Authority, a governmental instrumentality, had outstanding \$8.8 million in electric revenue bond anticipation notes.

Public financing activity during the year included the issuance of \$7,930,000 in general obligation bonds; \$1,661,000 in revenue bonds for housing and service facilities of the College of the Virgin Islands, and the

renewal of the \$8.8 million electric revenue bond anticipation notes.

The general obligation issue of \$7,930,000 retired the \$6,853,000 bond anticipation notes outstanding at the beginning of the year and incorporated \$1,077,000 in additional financing for schools, water, and sewer projects.

Four very competitive bids were received on November 18, 1968, for this general obligation issue, indicating the continued favorable reception of Virgin Islands issues in the national market. The award was made to First National City Bank & Associates at a net interest cost of 4.91 percent. Detail of the bids received follows:

| Name of bidder | Price | Net interest cost | Percent of net interest cost |
|--|----------------|-------------------|------------------------------|
| First National City Bank & Associates.... | \$7,930,380.64 | \$6,029,184.36 | 4.9133 |
| Kidder, Peabody & Co. Inc.; Banco Credito; Goodbody & Co.; Dean Witter & Co. & Associates..... | 7,930,026.00 | 6,070,944.00 | 4.9473 |
| The Chase Manhattan Bank, N.A.; Bankers Trust Co. & Associates..... | 7,932,380.00 | 6,080,660.00 | 4.9553 |
| Halsey, Stuart & Co., Inc.; John Nuveen & Co. (Inc.); Bear Stearns & Co. & Associates..... | 7,931,586.00 | 6,113,269.00 | 4.98188 |

The government during the past year completed all general obligation financing authorized by the Legislature.

Revenue Bond Debt Authorization

The authority for the issuance of revenue bonds by the Government of the Virgin Islands is embodied in the

Organic Act of 1954 as amended. Initially, a debt ceiling of \$10 million had been fixed by the law; this was later increased to \$30 million, and finally by the most recent amendment effected by Public Law 90-496 approved August 23, 1968, the debt ceiling for this type of debt was completely removed.

By their nature, revenue bonds may be issued only to finance revenue-producing projects which can support the debt on their own.

The government has not utilized this means of financing as yet for any wholly governmental capital improvements. However, revenue bond financing has been authorized for such government affiliated bodies as the Virgin Islands Water and Power Authority and the College of the Virgin Islands. The authority under which these instrumentalities may incur bonded debt is included in the basic legislation by which they were established. However, as long as the revenue debt ceiling was in effect all issues of these instrumentalities had to be contained within the limits of that maximum. By statute the issuance of bonds up to a maximum dollar amount of \$25 million has been approved for the Water and Power Authority; no specific dollar maximum has been defined for the college.

Issues Outstanding

There is presently outstanding an amount of \$12,811,000 in revenue bonds and notes. This amount includes a college bond issue of \$1,661,000 sold in August 1968 to finance housing and service facilities, and a 1-year issue of revenue bond anticipation notes to provide short-term interim financing for electrical power producing facilities of the Water and Power Authority.

A. College of the Virgin Islands

The college issue was purchased by the U.S. Department of Housing and Urban Development under terms of a loan agreement executed on October 27, 1966. These 30-year bonds bear interest at 3½ percent per annum, and are secured by a first lien on the revenues of the facilities in addition to a first mortgage on the project.

B. Virgin Island Water and Power Authority

The notes of the authority were issued on April 15, 1969, for the purpose of retiring an outstanding issue of interim notes in the amount of \$8,800,000, and obtaining \$2,400,000 in new capital.

Originally, on May 15, 1967, the authority sold \$4 million in 1-year revenue bond anticipation notes to obtain interim financing. These notes were renewed on April 15, 1968, and consolidated into a new issue including \$4,800,000 in new capital. The most recent note sale on April 15, 1969, therefore, represented the third renewal of prior notes in the aggregate amount of \$8,800,000, plus the new capital for current projects.

All notes of the authority were purchased by the Chase Manhattan Bank and are held in the bank's portfolio. However, although these notes, issued on April 15, 1969, became due on April 15, 1970, the understanding among all parties including bond counsel and financial advisors is that every attempt will be made to retire these notes during the present calendar year by the completion of a bond sale.

A deterring factor to the authority's ability to issue revenue bonds prior to this time has been the existence of a mortgage in the amount of \$9 million held by the Federal Government since June 30, 1965, when the old plant facilities were purchased from the former Virgin Islands Corp. The present balance on this mortgage is \$7,200,000. The mortgage of the Federal Government cannot be subordinated, nor can the authority sell bonds which carry a second lien. In order to remove this obstacle the incorporation of the amount owed to the Federal Government on this mortgage into the first bond sale of the authority has been recommended.

Issues Contemplated

The government has been contemplating the possible use of this source of financing for part of the cost of the installation of completely new sewerage systems in the Virgin Islands. This major project is now pending a completion of financial plans. Prior to proceeding with plans for revenue financing, however, it will be necessary first to secure legislative approval of a usage assessment for the service to users of the system.

The College of the Virgin Islands expects to complete the sale of \$401,000 of revenue bonds in October of this year toward the financing of the library building. It is expected that

these bonds will also be sold to the Federal Government on a loan agreement secured by a mortgage.

While a firm program of revenue financing has not been available as yet from the newly established Virgin Islands Port Authority, it is anticipated that the authority will use this means to finance all of its major projects since it has legal authority to do so. By the provisions of act No. 2375 a maximum of \$65 million has been set for the authority. Pending projects include the proposed new airport at an estimated cost of \$28,359,309, including acquisition of land, improvements to harbors and dock facilities, and development of industrial parks.

GOVERNMENT OF THE VIRGIN ISLANDS

Summary Statement of Revenue Bond Issues and Issues of Revenue Bond Anticipation Notes Outstanding

| Purpose | Amount | Term (years) | Rate (percent) |
|---|-------------|-----------------|-------------------|
| Housing and service facilities—College of the Virgin Islands (bonds)..... | \$1,661,000 | 30 | 3.50 |
| Electric power producing facilities—Virgin Islands Water and Power Authority (notes)..... | 11,200,000 | 1 | 4.74 |
| Total..... | 12,861,000 | | |

General Obligation Debt

The general obligation debt incurring authority of the Government of the Virgin Islands is defined in the 1954 Organic Act of the Virgin Islands, as amended by Public Law 88-180 and Public Law 90-496 approved August 23, 1968. The act restricts the general obligation debt to an amount equal to 10 percent of the total assessed valuation of real property in the Virgin Islands. In addition, the law specifies that general obligation debt may be incurred only for the purposes of providing or improving school, library, health, water, and sewerage facilities.

Within this statutory definition the government between November 1965 and December 1968 authorized and issued general obligation bonds in three series, totaling \$20,045,000. As of the present date, principal payments totaling \$715,000 have been made against these issues, and an amount of \$19,330,000 remains outstanding. By the end of calendar year 1969 an additional \$525,000 of principal will have been paid, further reducing the outstanding balance and increasing the level of the remaining debt margin against which new issues may be authorized for the funding of capital im-

provements within the limits set forth in the Organic Act.

The debt ceiling changes from time to time, reflecting the periodic changes in assessed valuation of taxable real property, as well as the changes in the amount of the outstanding debt at a given time. Generally, any significant change in assessed valuation of real property is known by April of each calendar year, after the tax assessor has completed the assessments for the applicable tax year.

Based upon the most recent advice of the tax assessor, the present assessed

valuation of real property in the Virgin Islands is \$247,914,452. By applying the 10 percent formula, the present debt ceiling is computed to be \$24,791,445.

Further, by applying the amount of \$19,330,000 now in outstanding issues against the total debt ceiling of \$24,791,445 the government is left with a margin of \$5,461,445 which may be available for new authorizations.

Attached are summarizations in statement form on the computation of the debt ceiling and the outstanding issues.

GOVERNMENT OF THE VIRGIN ISLANDS

Computation of General Obligation Debt Incurring Power

| | |
|--|---------------|
| Total assessed valuation of taxable real property as of July 16, 1969..... | \$247,914,452 |
| Total debt incurring authority per Public Law 88-180, 10 percent of assessed valuation | 24,791,445 |
| Less total outstanding bond issues..... | 19,330,000 |
| General obligation debt margin as of August 15, 1969..... | 5,461,445 |

NOTE: By December 31, 1969 the debt margin will be increased by an additional \$525,000 following the retirement of the following issues:

| | |
|--|-------------|
| 1965 series to be retired—November 1, 1969..... | 200,000 |
| 1967 series to be retired—December 1, 1969..... | 160,000 |
| 1968 series to be retired—December 1, 1969..... | 165,000 |
| Total principal payments fiscal year 1970..... | 525,000 |

GOVERNMENT OF THE VIRGIN ISLANDS

Summary Statement of General Obligation Bond Issues

| Purposes | 1965 series | 1967 series | 1968 series | Total |
|--|-------------|-------------|-------------|-------------|
| Hospital facilities: Preliminary planning and acquisition of land..... | \$1,000,000 | \$1,000,000 | ..... | \$2,000,000 |
| School purposes: New schools and improvements to existing schools; part of "crash" school construction program authorized by Act No. 1255..... | 4,200,000 | 500,000 | \$3,150,000 | 7,850,000 |
| College of the Virgin Islands for nurse training facilities..... | ..... | ..... | 102,000 | 102,000 |
| Water distribution and storage systems..... | 2,815,000 | 1,308,000 | ..... | 4,123,000 |
| Water production systems (V.I. Water and Power Authority)..... | 2,600,000 | 2,900,000 | 5,500,000 | ..... |
| Sewers and sewerage disposal facilities..... | ..... | 470,000 | 470,000 | ..... |
| Total Issues..... | 5,200,000 | 6,915,000 | 7,930,000 | 20,045,000 |
| Payments against principal to date for retirement of bonds..... | 560,000 | 155,000 | ..... | 715,000 |
| Amount outstanding..... | 4,640,000 | 6,760,000 | 7,930,000 | 19,330,000 |
| Payments to be made against principal during fiscal year 1970..... | 200,000 | 160,000 | 165,000 | 525,000 |
| Projected outstanding balance end of fiscal year 1970..... | 4,440,000 | 6,600,000 | 7,765,000 | 18,805,000 |

GOVERNMENT OF THE VIRGIN ISLANDS
ESTIMATED BOND DEBT SERVICE REQUIREMENTS

| Fiscal year ending June 30 | Presently outstanding various purposes serial bonds—1965 and 1967 | | | \$7,930,000 various purposes serial bonds—1968 | | | Total debt service | | |
|----------------------------|--|-----------|------------|---|---------------------------------------|------------|--------------------|-------------|------------|
| | Principal | Interest | Total | Principal | Estimated interest at 5 percent | Total | Principal | Interest | Total |
| 1960 | *\$350,000 | \$508,345 | \$858,345 | \$165,000 | \$198,250 | \$350,000 | \$706,595 | \$1,056,505 | |
| 1970 | 360,000 | 490,395 | 850,395 | 175,000 | 392,775 | 525,000 | 882,970 | 1,397,970 | |
| 1971 | 380,000 | 472,695 | 852,695 | 180,000 | 383,875 | 535,000 | 835,970 | 1,410,970 | |
| 1972 | 390,000 | 452,845 | 842,845 | 190,000 | 375,000 | 555,000 | 827,845 | 1,397,845 | |
| 1973 | 410,000 | 434,370 | 844,370 | 190,000 | 365,750 | 555,750 | 600,000 | 800,620 | 1,400,620 |
| 1974 | 425,000 | 418,033 | 843,033 | 200,000 | 356,000 | 556,000 | 625,000 | 774,033 | 1,389,033 |
| 1975 | 440,000 | 400,520 | 840,520 | 215,000 | 345,625 | 560,625 | 635,000 | 746,145 | 1,401,145 |
| 1976 | 460,000 | 382,245 | 842,245 | 225,000 | 334,625 | 559,625 | 635,000 | 716,870 | 1,401,870 |
| 1977 | 480,000 | 363,080 | 843,080 | 235,000 | 323,125 | 558,125 | 635,000 | 686,205 | 1,401,205 |
| 1978 | 500,000 | 342,950 | 842,950 | 245,000 | 311,125 | 556,125 | 745,000 | 654,075 | 1,399,075 |
| 1979 | 520,000 | 321,450 | 841,450 | 260,000 | 298,500 | 558,500 | 780,000 | 620,350 | 1,400,350 |
| 1980 | 540,000 | 299,910 | 839,910 | 270,000 | 285,250 | 555,250 | 810,000 | 585,160 | 1,395,160 |
| 1981 | 565,000 | 277,005 | 842,005 | 285,000 | 271,375 | 556,375 | 850,000 | 548,380 | 1,398,380 |
| 1982 | 585,000 | 252,980 | 837,980 | 300,000 | 256,750 | 556,750 | 885,000 | 509,730 | 1,394,730 |
| 1983 | 610,000 | 227,867 | 837,867 | 315,000 | 241,375 | 556,375 | 925,000 | 469,242 | 1,394,242 |
| 1984 | 635,000 | 201,693 | 836,693 | 330,000 | 225,750 | 555,750 | 965,000 | 426,943 | 1,391,943 |
| 1985 | 665,000 | 174,330 | 839,330 | 345,000 | 208,375 | 553,375 | 1,010,000 | 382,705 | 1,392,705 |
| 1986 | 680,000 | 146,285 | 826,285 | 365,000 | 190,625 | 555,625 | 1,045,000 | 336,910 | 1,381,910 |
| 1987 | 345,000 | 123,960 | 468,960 | 380,000 | 172,000 | 552,000 | 525,000 | 295,960 | 1,020,960 |
| 1988 | 360,000 | 107,040 | 467,040 | 400,000 | 152,500 | 552,500 | 760,000 | 259,540 | 1,019,540 |
| 1989 | 375,000 | 93,400 | 464,400 | 420,000 | 132,000 | 552,000 | 795,000 | 221,400 | 1,016,400 |
| 1990 | 390,000 | 71,640 | 461,640 | 440,000 | 110,500 | 550,500 | 830,000 | 181,540 | 1,011,540 |
| 1991 | 410,000 | 51,840 | 461,840 | 460,000 | 88,000 | 548,000 | 870,000 | 139,940 | 1,009,940 |
| 1992 | 425,000 | 31,900 | 456,900 | 485,000 | 64,375 | 549,375 | 910,000 | 96,175 | 1,006,175 |
| 1993 | 450,000 | 10,800 | 460,800 | 510,000 | 39,500 | 549,500 | 980,000 | 50,300 | 1,010,300 |
| 1994 | | | | 535,000 | 13,375 | 548,375 | 535,000 | 13,375 | 548,375 |
| Total | 11,750,000 | 6,653,378 | 18,403,378 | 7,980,000 | 6,135,500 | 14,065,500 | 19,680,000 | 12,788,878 | 32,468,878 |

*Paid by December 1, 1968.

CONTROL OE MANUFACTURE OF WATCHES IN VIRGIN ISLANDS

The period July 1, 1968, to June 30, 1969, saw no significant changes in the administration of the watch production quota. After a year in which several watch companies challenged the validity of the Federal Government to regulate the production of watches, the companies involved settled down to the task of operating within the stated quota.

The local Commerce Department continues to play an administrative role with respect to the watch industry, for it controls the issuance of shipping permits to manufacturers licensed under the terms of the Federal law. Under existing procedures the initial allocation was based upon 50 percent of watch movements and parts assembled and shipped during the first 10 months of 1968. At the same time, any firm assembling fewer than 15,000 units for the calendar year would be ineligible for a quota in 1969.

During the calendar year 1968, watch movements and parts were imported as follows: Japan, \$5,032,237; West Germany, \$2,226,822; Soviet Union, \$833,198; Hong Kong, \$517,-454; France, \$853,088; Switzerland,

\$166,384; Italy, \$5,004; England, \$5,639; Spain, \$332.

There are still 15 watch companies operating in the Virgin Islands. With the move of Sussex Watch Corp. from the island of St. Croix to the island of St. Thomas, we now have 11 companies on St. Croix and four companies on St. Thomas. Four of these companies now enjoy the privileges of tax exemption. The 15 companies employ 987 persons and have a combined annual payroll of \$3,526,530. The quota for 1969 is 3,875,580 watch movements and parts. In fiscal 1969, 3,445,610 movements and parts were exported to the United States for an approximate value of \$23,128,053. All quotas granted are subject to possible reduction or revocation.

A regulation permits the sale or transfer of the quota provided prior approval of the secretary of their delegate is secured and provided the firm sold or transferred remains in the business as a separate or distinct entity. The watch industry of the islands provides year round employment for a majority of natives. A training program where employees are sent abroad is also in effect.

CONTROL OF PROCESSING OF WOOLEN YARD GOODS

Pursuant to the provisions of chapter 9 of title 33, Virgin Islands Code, control over the processing of woolen yard goods is implemented by imposition of quotas to limit the flow of such foreign material into the customs area of the United States. The ad hoc hearing board appointed by the Governor convened during fiscal 1969 for the purpose of hearing testimony and recommending to the Governor quotas to be established for woolen yard goods in the various categories. Controls are maintained by the imposition of a 1-cent-per-yard tax within established quotas and a 65-cent-per-yard tax on excess over the quotas.

For the calendar year 1969 quotas in the following categories were established:

| | <i>Linear yards</i> |
|--|---------------------|
| Showerproof woolen cloth..... | 2,400,000 |
| Thermal laminated and adhesive bonded cloth..... | 100,000 |
| Total..... | 2,500,000 |

Unused portions of quotas allotted for calendar years 1967 and 1968 were carried over into 1969. Total yardage each company received by category is as follows:

| Showerproof woolen cloth: | |
|--|---------------------|
| | <i>Linear yards</i> |
| TOTAL quota allowed this year..... | 2,400,000 |
| 1968 carryover..... | 1,174,406 |
| 1967 carryover..... | 1,225,594 |
| Total..... | <u>4,800,000</u> |
| Company apportionment: | |
| Vitex Manufacturing Co., Ltd. | 1,656,138 |
| 1968 carryover..... | 224,406 |
| 1967 carryover..... | 619,456 |
| Net this year..... | <u>2,500,000</u> |
| Kent Company, Inc. | 493,862 |
| 1968 carryover..... | 500,000 |
| 1967 carryover..... | 606,138 |
| Net this year..... | <u>1,600,000</u> |
| Amity International Corp. | 250,000 |
| 1968 carryover..... | 450,000 |
| Net this year..... | <u>700,000</u> |
| Totals including carry-over..... | <u>4,800,000</u> |
| Thermal laminated and adhesive bonded cloth: | |
| TOTAL quota allowed this year..... | 100,000 |
| 1968 carryover..... | 400,000 |
| Total..... | <u>500,000</u> |
| Company apportionment: | |
| Island Manufacturing Co. | 400,000 |
| 1968 carryover..... | 100,000 |
| Unassigned..... | 100,000 |
| Totals including carry-over..... | <u>500,000</u> |

OFFICE OF PUBLIC RELATIONS AND INFORMATION

Personnel: 13

Operating Appropriation: \$225,540

The principal instrument of communications of the Government of the Virgin Islands is the Office of Public Relations and Information.

Located next to Government House in St. Thomas, the office also has a branch in St. Croix and has retained the services of a mainland public relations firm to facilitate and expedite dealings with the news media in the United States and other countries.

Efforts of the office are devoted to two main purposes. First is the cultivation of tourism, which is the basis of the islands' economy. Second is the preservation and development of the democratic processes in the islands through a systematic flow of information to the people on the activities of their government.

The office operates through all media of communications: print, radio, and television.

Its staff includes writers and photographers. In addition to providing articles and pictures for the various media, they frequently assist visiting editors, reporters, motion picture and television crews on location in the islands.

The staff also assists in publicizing the programs of organizations convening in the islands.

Such a group during the past year was the Attorneys General Association with representatives from the Attorney General's office in 50 States.

Another such group was a gathering of U.S. State Department officials from posts all over the world who met in St. Thomas.

Other such events included the Fifth Caribbean Geological Conference, the American Public Power Association meeting and the Caribbean Conference on Water Desalinization.

Sixty-five members of the National Press Club were entertained in the islands as were representatives to the World Congress of the American Society of Travel Agents.

A frequent responsibility in connection with such programs is the preparation of press kits tailored to the interests of the visiting groups.

The staff "covers" events of local or general interest in much the same way that a newspaper does and files the results with appropriate media.

Other duties include writing speeches, reports and letters for government officials, arranging interviews for visiting newsmen, recording speeches and statements on tape for later broadcast, consulting with various agencies on matters of policy involving public relations, and setting up press conferences.

Although productivity in the field of public relations is not so simple to measure as the score in a baseball game, there are some gages which may be applied to appraise effectiveness.

For instance, the record for the year shows that the office produced and distributed 434 news releases, and 388 pictures with captions. There also was some motion picture production for showing on television.

Magazine placements were arranged in a wide variety of publications, including *Time*, *Life*, *Look*, *Cosmopolitan*, *Harper's Bazaar*, *Holiday*, *Modern Bride*, *Town & Country*, *Reader's Digest*, and such specialized periodicals as *The American Banker*, *Methodist Magazine*, and the *Official Steamship Guide*.

"Tektite I," the underwater experiment off St. John received major coverage by NBC-TV and CBS-TV.

Reporters from the *New York Times* and *New York Daily News* were assisted in their assignments in the islands as well as journalists from other newspapers in other parts of the States and from Europe.

The office provided cooperation in the filming of a 15-minute color movie

by a crew assigned to St. Thomas by the Campbell Soup Co. featuring carnival scenes and reporting on island cuisine. The company anticipates a total audience of 25 million over a period of 2 years.

The photo editor of the Associated Press was guided about the islands by an office staff man on a camera tour which resulted in a full-page picture feature in newspapers across the States.

A similar layout was distributed by King Features to millions of readers.

A supplementary service of the office offers hospitality, when requested by Government House, to visiting VIP's, such as Congressmen or Senators or foreign dignitaries. This usually consists of providing a car and a driver and a staff representative to accompany the visitors on a tour of St. Thomas.

The Office of Public Relations serves as the eyes and ears of the Virgin Islands Government, as well as its voice.

OFFICE OF THE GOVERNMENT SECRETARY

Personnel: 45

Operating Appropriation: \$508,594.70

Implementation of act No. 2126, which increased the tax on gross premiums written by insurance companies in the Virgin Islands from 1 to 2 percent, resulted in a dramatic increase in premium taxes collected during fiscal year 1969.

The new law, which became effective July 1, 1968, also includes provisions for licensing nonresident insurance agents, nonresident brokers, independent adjusters and surplus line brokers, as well as for written examinations for those wishing to qualify as insurance agents, solicitors, and brokers.

Substantial increases in the number of real properties listed on the tax rolls, as well as increases in assessments and taxes, were the result of a continuing effort to locate and assess all real property in the Virgin Islands and of the second, 3-year reappraisal cycle of real property.

Installation of an IBM 029 key-punch machine has greatly simplified operations in this area. All preliminary work prior to the actual running of the annual real property tax rolls and bills is now done in the office of the tax assessor rather than at the Department of Finance.

The Real Property Manual was revised during the fiscal year to include a system of appraising condominiums,

docks, and property used for light industry.

New corporations continued to be registered during the fiscal year. At the same time, the enforcement of strict compliance with corporate laws has resulted in the dissolution of some corporations that failed to meet the requirements of the law.

Although one application for authority to conduct a banking business in the Virgin Islands was withdrawn, two remain pending: one for a branch of a foreign bank, and another from a group of local businessmen. There is also pending an application for authority to conduct a small loan business, and several other inquiries have been received.

At the close of the fiscal year, there were slightly less than 2,000 corporations registered and authorized to do business in the Virgin Islands.

Activities in other areas under the jurisdiction of the office of the government secretary continued to reflect the upward economic trend in the Virgin Islands. During the fiscal year, volume in documents recorded and fees collected both showed an increase, due partly to the increase in the number of condominiums, a new concept in the Virgin Islands.

More original passports for travel to foreign countries were issued this year than in any other fiscal year. The

period of validity for passports was extended from 3 to 5 years.

Under the provisions of the Organic Act, the government secretary served as Acting Governor from early February, when the resignation of the former Governor was accepted, until the

inauguration of the new Governor on July 1, 1969.

See appendix A for tables on: assessments and taxes; insurance fees collected; rum produced; alcoholic beverages exported and denatured alcohol produced.

DEPARTMENT OF EDUCATION

Personnel: 1625

Operating Appropriations: \$9,748,665

The year ended June 30, 1969, saw public school enrollment advance at an unprecedented rate of 9.5 percent. Operating budget for the department also increased 9 percent. Recruitment of teachers and other professional personnel continued, in great measure, from off-island sources. Secondary schools were adequately staffed except in some areas of vocational-technical education, but in elementary schools, it was still necessary to employ non-degree teachers to fill many vacancies.

The Government of the Virgin Islands, through the Department of Education, signed an agreement with the St. Thomas, St. John, and St. Croix Federation of Teachers on working conditions and fringe benefits.

Construction of classrooms continued at an impressive rate. These classrooms consisted of permanent as well as relocatable rooms.

School enrollment in the Virgin Islands public schools was approximately 14,000, and in the nonpublic schools, 6,000. An enrollment increase of 10 percent is anticipated for the coming school year.

Curriculum and Instruction

Curriculum review and revision is a continuing process. New courses have been added and old courses modified. In the last school year, English, as a second language, was offered in Christiansted Junior High School and St. Croix Central High School to Spanish-speaking students who were not ready

to participate in the regular English program.

Adult basic education, a federally supported program, enrolled U.S. citizens and resident-alien, 18 years of age or over. Designed to further the education of adults who have not completed the eighth grade, the program provided two weekly 2-hour sessions in reading, language arts, arithmetic, and English.

The adult education program provides training for adults from ninth through 12th grade. A high school equivalency diploma is awarded those who pass the equivalency test and 79 certificates were earned last school year.

The teacher-training program, a joint project between New York University and the College of the Virgin Islands, was concluded this year. Designed to recruit and develop teachers who are residents of the Virgin Islands, the program has been replaced by an on-island teacher-training program. In addition to the on-island program, several workshops were conducted during the summer of 1969. They included a summer traineeship program in speech and hearing deficiencies directed by the University of Kansas; family life and sex education conducted by the University of Connecticut and funded by ESEA Title III, and a 6-week workshop for teacher aides.

A study to determine whether or not to continue the general course at Charlotte Amalie High School in St. Thomas was initiated last year by the Commissioner of Education. Results of

this study will determine if this program will be abolished in St. Thomas or extended to St. Croix.

Pupil Personnel Services

Pupil services were provided by a director, guidance coordinator, testing coordinator, five attendance counselors, two social workers, 21 guidance counselors, and eight registered nurses.

School health services are vital and, during fiscal 1969, 9,792 pupils were seen by school nurses. A total of 565 were referred to emergency hospital centers and clinic appointments were made for 3,742. There are currently eight full-time nurses on the staff.

Nurses worked with members of the Insular School Health Committee to provide a comprehensive school health program and with members of the local school health committees in making the school system and the community aware of the needs of pupils.

To obtain a more complete assessment of the health status of all pupils, a new health record was used and included as part of the cumulative record folder. A new health history form, developed by the Insular Health Committee, was completed for each pupil during preregistration and registration periods.

In keeping with the plan for health appraisal, dental examination, physical examination, and immunization were done for kindergarten, first, sixth, ninth and 12th graders and for members of athletic teams.

Social Work Services

During fiscal 1969, 240 referrals were investigated by the two social workers. Between April 1 and May 15, approximately 280 children were referred for special education programs. A new social history form was devised for referring students for psychological evaluation.

The school year 1968-69 was the second year in which guidance services were provided in elementary schools. Four new counselors were employed bringing the total of elementary school guidance counselors to seven. A brochure on "The Role of the Elementary School Counselor" was prepared and will be distributed to teachers in the fall. The acquisition of a vocational guidance counselor at Charlotte Amalie High School facilitated communication between the vocational department and other segments of the community. Funds for the employee were made available through the vocational and technical education program.

For the first time, achievement tests were administered at the beginning and end of the school year. The Kuhlmann-Anderson measure of academic potential replaced the Lorge-Thorn-dike intelligence test and was administered to grades two, five, and seven.

Approximately 280 children from the Barrenspot school were tested and placed in the public schools of St. Croix. In addition, a total of 37 non-citizen children were tested for placement in schools on St. Thomas. A statistical report on the "Differential Aptitude Test" was completed and will be distributed by the end of the year. A testing committee comprised of guidance counselors and supervisors was organized to make an in-depth study of the testing program.

During the year, there was a marked increase in the number of persons who applied for the high school equivalency tests. A total of 367 individuals took the tests during the period July 1968 to February 1969. Seventy-nine certificates were awarded to examinees who attained passing scores and 17 high school equivalent certificates were awarded to veterans based on tests of general educational development, high

school level, administered by the United States Armed Forces Institute.

Territorial Scholarship Program

The Board of Education approved territorial scholarships and 20 special legislative grants were approved for medicine, law, engineering, police science, and economics.

Vocational and Technical Education

The Virgin Islands Board for Vocational Education, in cooperation with the administrative and supervisory staff of the Department of Education, worked to improve and expand programs and services during the past year. The staff was expanded to include the following: state supervisor, trade and industrial education; state supervisor, office occupations; and state supervisor, home economics.

These key positions were needed to provide services and expertise to the various programs being implemented. Under the leadership of the State Director and his supervisory personnel, programs of vocational and technical education were administered in the following schools during the 1968-69 school year:

St. Thomas/St. John

Charlotte Amalie High
Wayne Aspinall Junior High
Julius Sprauve School

St. Croix

St. Croix Central High
Christiansted Junior High
Claude O. Markoe School

Programs of vocational-technical education included agriculture, electronics, automotive mechanics, building construction carpentry, business and office education, cosmetology, electricity, homemaking, hotel and restaurant operations, masonry, plumbing, and practical nursing.

According to the Division of Vocational and Technical Education, 1,726

students were enrolled in these programs.

The Division of Vocational and Technical Education also has the responsibility for all programs of industrial arts education. During the past school year, the industrial arts education program included the following: architectural drafting, metals, electricity, woodworking, mechanical drawing, needlecraft, and arts and crafts.

The Division of Vocational and Technical Education has been engaged in operating manpower programs under the Manpower Development and Training Act. During the 1968-69 fiscal year, the administrative staff initiated several manpower programs in cooperation with the Virgin Islands Employment Security Agency. Training programs in general office clerk, cosmetology, food and restaurant training, and salesperson parts were provided for approximately 50 trainees. Upon completion of the training programs, the trainees will be released from the Department of Education to the Virgin Islands Employment Security Agency for job placement.

In an attempt to meet the health needs of the Virgin Islands, the Division of Vocational and Technical Education, in cooperation with the Department of Health, embarked upon an adult practical nursing program in St. Croix. In September of 1968, 17 adults started their training. The program will be completed about September 3, 1969. After receiving their diplomas from the Department of Education, the candidates will be eligible to take the National State Board Examination for Nurses in November before they can become qualified licensed practical nurses authorized to practice in the Virgin Islands.

Division of Business

Fiscal year 1969 was a year of further transition for the business division. Adding to the traditional task of listing all financial transactions of education, the business office for the first time established control procedures in all areas pertaining to expenditures, insuring maximum utilization of the taxpayer's dollar.

The following tables reflect appropriations and expenditures for fiscal year 1969:

A. Virgin Islands appropriation—fiscal year 1969:

| Division | Appropriation |
|---|------------------|
| Office of the Commissioner..... | \$246,966 |
| Curriculum and instruction..... | 6,035,934 |
| Business..... | 128,092 |
| Property, procurement and auxiliary services..... | 972,296 |
| School lunch..... | 1,033,860 |
| Grants and contributions and other..... | 1,331,539 |
| Total..... | <u>9,748,665</u> |

B. Federal Aids Funds and Grants—fiscal year 1969:

| Activity | Amount |
|--|------------------|
| ESEA Title I..... | \$393,317 |
| ESEA Title II..... | 30,000 |
| ESEA Title III..... | 158,738 |
| ESEA Title V..... | 73,426 |
| ESEA Title VI-A..... | 35,000 |
| NDEA Title V..... | 20,000 |
| NDEA Title III..... | 54,000 |
| Adult basic education..... | 28,000 |
| Vocational education..... | 124,686 |
| Manpower development and training..... | 35,750 |
| Vocational education..... | 85,500 |
| School lunch..... | 165,314 |
| Project Head Start..... | 410,103 |
| Neighborhood Youth Corps..... | 44,078 |
| Total..... | <u>1,657,912</u> |

Pupil Transportation

Cost of pupil transportation increased substantially during the year, approximately 29 percent over the amount expended during the preceding year. This was due, in part, to the

increase in the number of pupils transported, and, in part, to an upward revision of the mileage rates charged for school bus operations in St. Thomas and St. Croix based on increased operating costs for labor and materials.

The average number of children transported daily increased by approximately 33 percent over fiscal 1968. To some extent, this increase resulted from an increase in enrollment in schools being served, but it also reflects the public transportation requirements of certain schools not formerly included in the program.

In St. Croix, the St. Croix Country Day School was added to the program, and in St. Thomas, the Antilles School, and the Apostolic School at Smith Bay.

In addition to transportation of pupils to and from schools in regular daily sessions, a fairly extensive program of free transportation of pupils for field trips and for special events, including athletic meets, concerts, and other cultural activities was in operation during the year.

School Lunch Program

During 1968-69 school year, the School Lunch Program operated with a budget of \$1,155,574. A total of 2,235,668 type 'A' lunches were served to the students with a daily average participation of 12,759. This was a student participation of 93 percent, an increase of 8 percent over fiscal 1969.

In addition to normal purchases of food, 56,311 pounds of federally donated cut-up chicken, frozen turkey, and ground beef were received.

The food service program operation involves 199 workers, including kitchen managers, cooks and food service workers with an administrative staff of nine workers. A total of 45 full administrative reviews and 11 partial reviews

were made this school year of all lunch-rooms in St. Thomas, St. Croix, and St. John.

Under the program, schools must serve lunches that meet at least one-third of a student's dietary needs as prescribed by the United States Department of Agriculture. All school lunches are served free in the Virgin Islands.

Vocational Rehabilitation

An expanded educational program for the handicapped was also developed. A survey was instituted on all Islands to determine the extent of the handicapped problem, the existence of architectural barriers and the kind of services needed. The following activities were performed by this division: a statewide study for Vocational Rehabilitation, completion of research and demonstration grant for the Sheltered Workshop, St. Thomas; training for St. Thomas at Woodrow Wilson Reha-

bilitation Center; plans initiated for integrated action plan with Department of Social Welfare; vocational rehabilitation counselor stationed with Physical Medicine Clinic at Knud Hansen Memorial Hospital and cooperative agreement between Vocational Rehabilitation and Employment Service to provide minor medical care to MDTA trainee.

Public Information Services

The educational enterprise has become one of the most extensive and complex of all Government activities. Because of this growth and complexity, it is no longer easy for pupils, parents, and the general public to keep informed on the purposes, changing methodology, and cost of the school system. At the same time, it is most important that they be informed. To accomplish this end, the Department of Education has established a Bureau of Public Information Services. Fi-



As part of a joint program by the Departments of Education and Health, children with learning disabilities are trained in special classes by teachers specially trained by the Learning Disabilities Foundation.

nanced under title V of the Elementary and Secondary Education Act, the program brings to the attention of the public day-to-day happenings in the school system, its programs, and its projections.

During fiscal 1969, 384 releases were issued to the communication media and 99 percent were published. Articles dealing with unique aspects of education in the Virgin Islands appeared in leading newspapers and magazines on the mainland. A monthly internal newsletter, "Virgin Islands Schools", has been created and is distributed to school personnel and other interested persons and agencies. Drafts of speeches and preparation of radio and TV scripts were also functions of this Bureau during fiscal year 1968-69. Compilation of the school directory, annual report, and a brochure detailing the goals and accomplishments of title I ESEA were prepared.

In the negotiations with the St. Thomas and St. John Federation of Teachers and the St. Croix Teachers Federation, the Director of Public Information was named as a member of education's team and was responsible for publicity.

School Plant and Facilities

In order to keep abreast of the almost 9 percent growth pattern of our student population, 41 permanent classrooms and 30 relocatable classrooms have been built or are under construction. The distribution of these new classrooms follows:

In St. Thomas—permanent classrooms:

| | |
|----------------------------|----|
| Tutu Elementary..... | 19 |
| Dober Elementary..... | 5 |
| Charlotte Amalie High..... | 5 |
| Wayne Aspinall..... | 6 |

Vocational Shop Building:

| | |
|-----------------|---|
| Shops..... | 2 |
| Classrooms..... | 2 |

In St. Thomas and St. John—relocatable classrooms:

| | |
|----------------------------------|---|
| Thomas Jefferson Elementary..... | 1 |
| Washington Elementary..... | 2 |
| Lockhart Elementary..... | 4 |
| Julius E. Sprauve..... | 3 |
| Wayne Aspinall (Recreation)..... | 2 |
| Charlotte Amalie High..... | 4 |

In St. Croix—permanent classrooms:

| | |
|-----------------------------|---|
| St. Croix Central High..... | 6 |
| Vocational Shop Building: | |
| Shops..... | 3 |

In St. Croix—relocatable classrooms:

| | |
|-----------------------------------|---|
| Christiansted Elementary: | |
| Classrooms..... | 4 |
| Dining rooms..... | 2 |
| La Grande Princess Elementary.... | 2 |
| Claude O. Markoe..... | 4 |
| Grove Place..... | 2 |

Estimates for capital expenditures, fiscal 1970, amounting to \$6,060,000 follow:

| <i>St. Thomas</i> | <i>Amount</i> |
|--------------------------------|---------------|
| Elementary School, Burne | |
| Field or V. I. College..... | \$850,000 |
| Addition to Dober Elementary.. | 150,000 |
| Junior High, eastern St. | |
| Thomas..... | 1,075,000 |
| Hotel training building..... | 75,000 |
| Gymnasium, WASP..... | 225,000 |
| Maintenance workshop..... | 75,000 |
| Teacher housing..... | 225,000 |
| Roof, WASP..... | 125,000 |
| Fencing..... | 25,000 |
| Completion of warehouse..... | 60,000 |

St. Croix

| | |
|------------------------------|-----------|
| Elementary School, eastern | |
| St. Croix..... | 850,000 |
| Junior High..... | 1,050,000 |
| Hotel training building..... | 75,000 |
| Gymnasium, Central High.... | 225,000 |
| Maintenance workshop..... | 75,000 |
| Teacher housing..... | 225,000 |
| Roof, Central High..... | 125,000 |

St. John

| | |
|--------------------------------|---------|
| All purpose room, Cruz Bay.... | 150,000 |
| <i>Insular</i> | |
| Land acquisition..... | 300,000 |
| Repair of buildings and | |
| grounds..... | 100,000 |

Federal Aid Programs

Many Federal programs were continued or initiated and the department received a total of \$1,657,912 of grants in aid Federal funds. Title I, Elementary and Secondary Education Act, was responsible for the second phase of the Audio-Lingual project.

Reading specialists were employed to work with nine first grade teachers in St. Croix and nine in St. Thomas. Special materials were developed and utilized. Teachers, supervisors and principals indicate this project is a successful innovation that should be extended to all first grade classes.

Funds allotted for Title II, Elementary and Secondary Education Act, were used to obtain library books and materials. Books and library equipment were poured into the system at a rate that exceeded the national average. This effort was augmented by \$25,000 from NDEA Title III.

Project Introspection, Title III, Elementary and Secondary Education Act, became operative. Established in separate but adequate facilities, this project is designed to develop materials, textbooks, and pamphlets that deal specifically with matters indigenous to the Virgin Islands and to project aspects of Virgin Islands culture.

After several months of planning, an Educational and Cultural Center was established in the facilities of the Old Nisky School located in the submarine base on St. Thomas. "Project Introspection" is basically a curriculum effort designed to stimulate the Virgin Islands' child to achieve self-actualization.

Project activities are characterized by consolidating the rich cultural heritage of the people of the islands, greater emphasis on the study of Virgin Islands and Caribbean life, in-service training of instructional per-

sonnel and local production of instructional materials relevant to Virgin Islands and Caribbean life.

The services of this center are available to the instructional personnel of all Virgin Islands schools—public and nonpublic. All activities conducted, and services rendered, are extended to the teachers and pupils of the three islands; St. Croix, St. John and St. Thomas.

A major accomplishment during this fiscal year was the production of reference works for teachers from kindergarten through grade 12. Many teachers do not have access to Virgin Islands books and other pertinent references. Therefore, research is done by the ESEA Title III staff and material is prepared in booklet form for classroom use.

For the handicapped, ESEA Title V-A and Public Law 85-926 funds were obligated for teacher-training institutes in special education and for the employment of consultants to inventory the handicapped and submit recommendation for appropriate programs which could be implemented in the Virgin Islands. Title V ESEA provided funds for the Office of Public Information Services and the Office of School Plant Facilities.

Project Head Start, sponsored by the Office of Equal Opportunity, served 500 children. Between 125 and 150 youths were enrolled in the in-school Neighborhood Youth Corps program. Both summer and regular school projects were developed.

Emphasis in the elementary schools continued to be in the area of communication skills. A language arts guide, completed last year, was distributed to administrative and supervisory personnel for in-service work with teachers.

A pilot project in bilingual educa-

tion for pupils of the kindergarten and first grades was initiated and implemented at Charles H. Emanuel School in St. Croix. Subjects are presented in Spanish for half of the school day and in English during the other half. This program will be extended to second

grades this September and, subsequently, to other grades and other elementary schools.

See appendix B for tables on school enrollment; comparison of high school graduates and comparison of operating budget.

COLLEGE OF THE VIRGIN ISLANDS

Personnel: Teaching faculty: 37
Administrative faculty: 32
Other staff: 60

Operating Appropriation: \$1,500,000

The College of the Virgin Islands this year began its expansion to a 4-year baccalaureate program offering majors in biology, chemistry, English, mathematics, Spanish, and the social sciences plus preparation for elementary and secondary teaching. The first 19 juniors were enrolled in September 1968; the first bachelor of arts degrees will be awarded in June 1970. An undergraduate program of specialization in the marine sciences was approved to begin in the fall of 1969.

The college now offers seven 2-year programs leading to an associate in arts degree: accounting, business administration, construction technology, executive secretarial studies, hotel and restaurant management, nursing, and police science and administration. In addition, a 2-year transfer program in business administration, prepharmacy and preengineering is offered. Authorized during the year for the 1969-70 academic program was a premedical technology curriculum of three years'



Candidates for the associate in arts degree at the College of the Virgin Islands march in procession to commencement exercises. The college this year expanded to a 4-year program, will award its first bachelor of arts degrees in 1970.

study at the college and a fourth year of hospital laboratory training at an approved hospital training school.

During the year, the National League for Nursing accredited the associate in arts degree program.

In the 1968 fall semester the college enrolled 332 full-time students, an increase of nearly 20 percent over the 276 full-time students enrolled in 1967. Nearly 1,000 additional part-time students were enrolled through the division of continuing education, with evening classes conducted in St. Thomas, St. Croix, and St. John, bringing the full-time equivalency to a record high of 643.

Of the full-time students, nearly 80 percent are residents of the U.S. Virgin Islands. About 10 percent come from other Caribbean islands and 10 percent from the U.S. mainland, Africa, and Europe.

In the fall of 1969, new residence halls, housing 140 students, and nine faculty housing units will be completed and occupied. With other housing, the residence halls will enable the college to accommodate approximately 275 students on campus.

The Ralph M. Paiewonsky Library opened in January 1969, the first academic building to be completed under a master plan for the 175 acre campus in St. Thomas. The eventual capacity of the library is 100,000 volumes. Presently there are more than 22,000 volumes and 800 microfilm units.

Construction began this year on a nursing education building housing classrooms, a nursing laboratory, conference rooms and faculty offices, and scheduled for occupancy in the fall of 1969.

In February the college acquired title to 127 acres in Golden Grove, St. Croix, valued at \$980,000 and deeded to the college at no cost by the U.S.

Department of Health, Education, and Welfare.

Development of the St. Croix Center to meet the higher education needs of residents of the islands is being studied under a Federal grant to the Virgin Islands Commission on Academic Facilities. The study team will make its report to the St. Croix advisory council in the fall of 1969.

Major projects of the college's Caribbean Research Institute this year concerned Caribbean conservation, marine archaeology, insular ecology, fisheries potential, space science, and interrelationships between the American and British Virgin Islands.

The institute includes the Virgin Islands Ecological Research Station at Lameshur Bay, St. John, the site selected as headquarters for the Tektite, "Man in the Sea" project. Institute and Ecological Research Station personnel assisted the operation in areas of site survey and evaluation, communications and general logistic support, and use of station facilities and equipment. The base camp supporting the Tektite program, consisting of 13 buildings constructed by the Navy Seabees, has become a permanent part of the station.

In St. Croix, the institute has established an environmental laboratory where work in remote sensing technology is being carried on under auspices of the National Aeronautics and Space Administration. A project director has been selected as one of the scientists who will analyze the first physical samples of the moon's surface material brought back by the U.S. astronauts.

The college continues to administer a number of Federal programs related to higher education. The State Technical Services Agency projects designed to serve local business and industry included a safety survey of air trans-

portation operations on the three islands; donation to the college library of an extensive reference library on police science, civil engineering, landscape architecture and printing technology; on-the-job surveys by a motor vehicle maintenance expert who visited operators of large fleets; sponsorship of a special course in computer concepts; seminars for builders, and issuance of a quarterly newsletter.

Community service projects included a forum on Virgin Islands women and a nutrition education program. Training courses for government employees in housing, relocation, zoning administration, and land use planning, as well as technical assistance and establishment of a reference library, were carried out.

The Virgin Islands extension serv-

ice, headquartered at the St. Croix center, intensified 4-H Club activity with training of leaders and preparation of manuals to make youth participation in community programs available on all three islands. Other projects included a program of nutrition aid for lower income families, and efforts to increase the quantity and efficiency of food production.

On March 16, the college marked the first annual observance of Charter Day, commemorating the date in 1962 on which Governor Ralph M. Paiewonsky signed into law the act of the Virgin Islands legislature creating the college. Thurgood Marshall, Associate Justice of the United States Supreme Court, delivered the keynote address.

Twenty outstanding library scholars from the Caribbean, Denmark, Eng-



Students at the College of the Virgin Islands school of hotel management prepare a gourmet buffet of decorated turkeys and ham.

land, and the United States mainland met at the college April 17-19 in a conference on "Sharing Caribbean Resources for Instruction and Research."

As part of a long range plan for intercollegiate athletic competition, the college team played basketball games with four mainland colleges. The college has also applied for membership in the Intercollegiate Athletic League of Puerto Rico.

On June 8, 1969, the college granted associate in arts degrees to 41 students. Eleven students received bachelor of science degrees in education from New

York University. Bayard Rustin, executive director of the A. Philip Randolph Institute and a leader in civil rights, gave the principal address.

Since it opened the college has granted associate in arts degrees to 166 students, most of whom continued their education at institutions on the mainland and in Canada. Others are now working in the islands in government and in private industry. In addition, 23 students who have received bachelor of science degrees from New York University through the cooperative program are serving the public schools.

DEPARTMENT OF HEALTH

Personnel: 1,216

Operating Appropriations: \$11,485,601

An important overall advance during fiscal 1969 was the accreditation of the islands' hospitals, full accreditation for the Charles Harwood Memorial Hospital on St. Croix and conditional accreditation of the Knud-Hansen Memorial Hospital on St. Thomas. Additional beds, clinic, and office space were also added but it is evident that inadequacies persist in these areas. Continued renovation and expansion is imperative if the islands are to cope with the population explosion being experienced in the Virgin Islands community. Two major planned medical centers, because of their cost, must await provisions for funding before any completion date can be determined.

The general health of the people of the Virgin Islands continues to compare favorably with that of the Nation as a whole. The Health Department realizes its responsibility for continued improvement in the preventive and care aspects of community health and our comprehensive health planning as presently projected will result in a still better health picture than presently exists.

Office of Comprehensive Health Planning

Six new consumer members were appointed by the Governor to the Comprehensive Health Planning Council during the year to give broader cultural and ethnic representation. There are 22 council mem-

bers, 15 of whom are consumer representatives. Four council meetings were held during the year.

The council initiated task forces to study the Islands' health services using "A Self Study Guide for Community Health-Action Planning" -volumes I and II as a tool. Seven task forces were organized to study health services. Members of the council were appointed on task force chairmen and a meeting was held with this group for orientation. The council voted for support of the 314(e) project relating to a comprehensive program for immunization services, venereal disease, and tuberculosis.

Data and reports have been collected from the various governmental agencies to initiate a health information system. Profiles of 28 agencies with health-related activities have been compiled.

Staff members have made presentations relating to the agency's work at the Virgin Islands Public Health Association's annual meeting, the Public Health Division's staff conference, the Commission on the Status of Women, and conferences on nutrition, handicapping conditions of childhood, and alcoholism. They have served on the task forces of the Vocational Rehabilitation Planning Project. The office has had membership on the Human Resources Commission, the Insular School Health Committee, and Immunization Committee, the Citizen Non-Citizen organization, committees concerned

with narcotics and alcoholism, civil defense and disaster planning, and participated with a committee studying relationships between maternal and child health and crippled children, Medicaid, and the children and youth project. They have cooperated with special studies sponsored by the Governor's office and participated in planning activities with the School of Nursing of the College of the Virgin Islands.

Four issues of the 4-page newsletter, "Health Highlights," have been published which has a circulation of 1,000. Ten news releases relating to comprehensive health planning activities have been released through the Governor's office. A brochure explaining comprehensive health planning for the public is in production.

Division of General Administration

Section 10(c) of Executive Order No. 9 established, among other divisions, the Division of General Administration. This division consists of the Bureau of Business Management; the Bureau of Health Education; the Bureau of Vital Records and Statistical Services; the Bureau of Plant Operation and Motor Pool; and the Bureau of Social Services. In practice, however, the bureaus of health, education, and social services do not function under the jurisdiction of the Division of General Administration.

Further, this section provides that "there shall be at the head of each division a chief officer, who shall be designated as the Division Head, who shall perform such functions as the commissioner may prescribe." The title of "Division Head" was changed to "Director" in the interest of uniformity throughout the departments of the executive branch of the Government of the Virgin Islands.

The Bureau of Business Management, headed by a departmental business manager, conducted business activities of the department in addition to supervision of the Bureau of Plant Operation and Motor Pool; the Bureau of Vital Records and Statistical Services reporting directly to the commissioner.

Bureau of Vital Records and Statistical Services

A new live birth record was again established. During the calendar year 1968, there were 2,350 live births recorded in the Virgin Islands, an increase of 78 over 1967, the previous record year. The birth rate was 37.4 per 1,000 population, as compared to 40.1 for 1967.

There were 471 deaths in 1968, an increase of 98 deaths over 1967. The death rate was 7.5 per 1,000 population in 1968, as compared to 6.6 in 1967. Diseases of the circulatory system accounted for 36.3 percent of all deaths with a rate of 272.3 per 100,000 population.

There was a greater rate of infant mortality in 1968 than in 1967. During 1968, there were 78 infant deaths with a rate of 33.2 per 1,000 live births while during 1967 there were 65 with a rate of 28.6 per 1,000 live births.

There was also an increase in marriages and divorces in the Virgin Islands. In 1968, there were 894 marriages and 321 divorces while in 1967 there were 700 and 280, respectively.

(See Appendix C for table on vital statistics, age distribution of deaths, leading causes of deaths, and leading causes of infant deaths.)

Division of Hospitals and Medical Services

Since November 1968, Charles Harwood Memorial Hospital has had a

regular full-time psychiatrist to look after the needs of mentally and emotionally disturbed individuals. Although the hospital does not have a separate psychiatric unit, provisions are made to treat patients on a "crisis center basis." Psychiatric patients are admitted any time of the day, appropriate treatment is rendered, and these patients are then transferred to the Knud Hansen Memorial Hospital in St. Thomas for further care. Also, an after-care clinic has been established to provide a follow-up on these patients when they have been discharged from the hospital.

To provide greater medical support to the community of St. Croix in times of disaster, a prepositioned 200-bed packaged disaster hospital has been acquired through the Federal Government and is in "ready storage" at Charles Harwood Memorial Hospital. An operating staff has been assigned through the cooperation of all elements of the Department of Health, St. Croix, and volunteers are expected to participate. Further, the hospital disaster plan has been updated, and the emergency utilization plan incorporating the packaged disaster hospital has been published.

During the fiscal year, numerous power outages occurred because the 100-kilowatt standby generator could not carry electric current load for the Charles Harwood Memorial Hospital and the new wing. Recurring inconveniences throughout the hospital, ranging from dim-outs to actual malfunctions of essential equipment, necessitated the purchase and installation of a 200-kilowatt generator which is now a standby. The 100-kilowatt generator is still on hand, and may be overhauled to serve the general needs of the 200-bed civil defense packaged disaster hospital.

Greatest emphasis in the operation of St. Croix hospitals, Charles Harwood Memorial Hospital and the Ingeborg Nesbitt Clinic, during the fiscal year has been on better direction, and continued improvements in activities and services within the hospital. The hospital construction started in the previous fiscal year has now been completed, and concentration of efforts in fiscal year 1969 has been in the best use of these new facilities. Occupancy rate at Charles Harwood Memorial Hospital of 90 percent shows a great need for further expansion.

The Knud-Hansen Memorial Hospital in St. Thomas was engaged in a program of renovation, modernization, and accreditation activities throughout the fiscal year and was accredited for 1 year by the Joint Commission on Accreditation of Hospitals. Deficiencies of space and building layout focused work on renovating areas which could be expanded, rearranged or improved by the addition of new equipment for several departments, and by reorganization of medical staff and revision of all operating policies and procedures. This work was accomplished even as hospital services continued the same growth rate and health department officials prepared for second inspection and full year-end approval for 3 years in June 1969.

Highlights of the year included completion and activation of the outpatient and pediatrics annex begun the previous fiscal year; renovation and expansion of the hospital nursery; construction of a new pharmacy and waiting room for clinics; enlargement of the emergency room and treatment area; addition of one operating room and operating room office; and addition of an X-ray diagnostic room and office. Nine beds were added to the surgical ward and two beds to the obstetrics service. Work was completed

on conversion of one ward to a central sterile supply; conversion of the former pharmacy into a new recovery room; conversion for hemodialysis facilities within the surgical ward; conversion of the formula room into a salad and nourishment room; conversion of lobby spaces to offices for admitting and personnel; conversion of former clinics into offices for nursing administration and social service; renovation of old psychiatric rooms into an occupational therapy workshop and offices for the psychiatrist and staff. All areas required planning of new equipment and materials; adjustment in hospital routines and coordination with other sections in the department. The changes and improvements have had a remarkable effect on the morale and working conditions in all the areas of the hospital.

Plans on the drawing board include those for additional medical ward beds on the top floor and cafeteria seating on the ground floor. Plans which were developed but were not implemented during the year were those of increased work space for the administrative services and for maintenance, housekeeping, and laundry on the ground floor. New equipment and several changes in routines are in the working stages but need better facilities to produce the results anticipated.

Bureau of Health Insurance and Medical Assistance

The Bureau of Health Insurance and Medical Assistance, organized within the office of the Commissioner of Health, administers and implements the provisions of two Federal programs, title XVIII (Medicare) and title XIX (Medicaid).

The highlights of activities under Medicare involved the recertification of four approved facilities based on continued compliance with conditions of participation under the Federal

health insurance program; providing consultation to potential applicants of independent laboratories; preparation of basic statement of policy and procedures regarding status of Medicare patients served by physicians employed by the Department of Health; and the implementation of the "Buy-In" agreement. At the end of the fiscal year, the bureau was paying premiums for 1,111 individuals over 65 years of age who meet requirement of eligibility under title XVIII and title XIX.

A total of 1,474 Medicare claims under hospital insurance were processed for payments totaling \$373,103. A total of 1,311 claims under medical insurance were processed for payments totaling \$102,005.

A total of 5,569 families (19,116 individuals) were accepted and recertified eligible under all medical assistance categories. Approximately 32 percent of the Virgin Islands' population was eligible under the program.

An estimated total of 55,940 medical assistance recipients (duplicated count) from all categories received medical services during the year.

In view of the growth and complexity in the medical assistance program and future trends envisioned by the new Federal administration, appropriate administrative adjustments must be made early next fiscal year. The recruitment of the professional staff must be completed and the full cooperation of the administration is needed to achieve the program's goals.

Division of Public Health Services

Significant advances were made by the Public Health Services Division of the Virgin Islands Department of Health, in the continuous fight to conquer communicable diseases, to improve the health and well-being of the community, and to make the Virgin Islands a healthy place in which to live.

There were no major epidemics of any communicable diseases, and such major disorders as heart disease, cancer, and diabetes showed a marked downward trend in mortality rates.

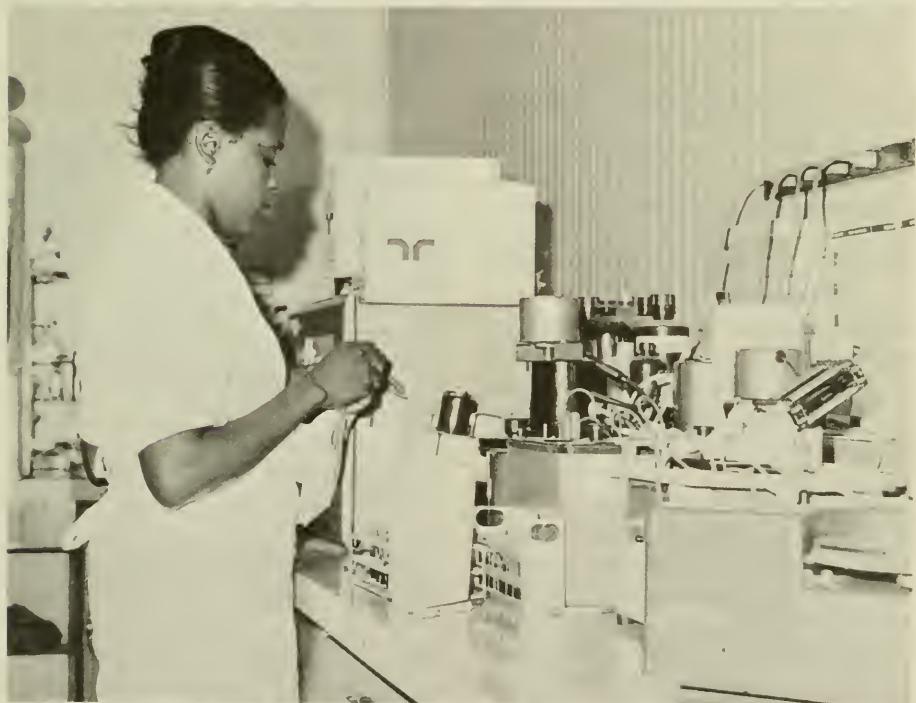
Two immunization teams working in St. Croix and St. Thomas, maintained adequate immunization of 98 percent of the schoolchildren against diphtheria, tetanus, pertussis, poliomyelitis, and smallpox. Special campaigns were conducted against tetanus in St. Croix and St. Thomas. A project grant was received from the U.S. Public Health Service for the mumps vaccination program and the rubella vaccination program project request has been submitted and approved to be effective in the next fiscal year.

The morbidity rates of tuberculosis remain low. The emphasis continues on eradication of this disease which thus far has also maintained a very low mortality rate. For the past 5 years,

the number of deaths range from 0 to 1. A public health physician and nurse successfully completed the course in the control and management of tuberculosis offered by the National Communicable Disease Center, Atlanta, Ga.

The most significant development in the delivery of health services was made by the initiation of the health outreach program which secured medical mobile units for St. Thomas and St. Croix. A team of public health physicians and nurses, along with communicable disease investigators, has been conducting an extensive immunization program in the outlying districts, where there are low social economic groups and where there are no facilities for clinics or medical services. This program has been coordinated with the community action group of the anti-poverty program.

Once more, the home care program was certified by the Bureau of Health



Blood samples are tested in the Islands' up-to-date hospital laboratory facilities.

Insurance and Medical Assistance as the Home Care Agency for the Department of Health of the Virgin Islands. Services have been expanded, particularly in the area of dental care, to the clients of the home care program.

As a result of the increased load for laboratory services, a new laboratory has been planned in Frederiksted which will provide for serology, water and milk testing, and parasitology. Construction was completed on the new Public Health Clinic, which will be utilized for the dental and public health clinics. The dental section has been placed under operation, and the public health clinics will be initiated in July 1969. The bureau of nutrition services concentrated on a community education program through seminars to assist field workers in the use of surplus food products. Several demonstrations were conducted for public health staff physicians and nurses in food preparation utilizing low-cost products.

As part of the accident prevention program, demonstrations on highway safety were conducted in St. Thomas and St. Croix. Consultants from the U.S. Public Health Service participated in these demonstrations.

Division of Maternal Child Health and Crippled Children

Although the family planning program is effective, and the birth rate in the Virgin Islands has decreased slightly, a record number of babies were born in the Virgin Islands, probably due to migration to these areas of younger families. There has been a dramatic increase in attendance at well-child clinics and maternity clinics, despite addition of four monthly well-child clinics and four monthly family planning clinics where postpartum patients are also seen. The services are inadequate to meet the demands and needs, but no expansion can be con-

templated until additional physicians can be recruited.

A large portion of the budget is still being spent for off-island care not available locally. Several consultants have been brought in to enhance the quality of medical and nursing care received. Sixth graders were added to target groups for screening in an effort to head off the high rate of dropouts by the end of elementary studies.

Children and Youth Project No. 629, awarded to the Virgin Islands Department of Health, is one of almost 60 others scattered throughout the Nation. Following initial funding on March 1, 1967, the work started on recruiting staff, ordering equipment, and renovating office and clinic space; the latter activity costing \$110,000 in St. Thomas, and \$295,000 in St. Croix. Except for the initial budget which covered 16 months and was somewhat higher, the annual budget approximates \$1,050,000, of which 75 percent comes from Federal grants and the remainder from local funds.

Authorized under title V of the So-



Nurses of the Maternal, Child Health and Crippled Children Division of the Department of Health give immunization shots as part of a continuing health program for school-children.

cial Security Act amendments for an initial 5-year period, this project is responsible for establishing and implementing the concept of "comprehensive and continuous," as opposed to "episodic," health care to children of low-income families. Accordingly, the staff includes pediatricians, nurses, dentists, dental hygienists, medical social workers, nutritionists, physical and occupational therapists, speech therapists, clinical psychologists, laboratory technicians, statistician, and health educator.

Statistically speaking, 2,503 children have thus far been registered for care under the project. Of these, almost 600 have completed initial medical and/or dental evaluations and are thought of as being under health supervision. The remainder are in various stages of care and treatment and will reach the stage of supervision as soon as possible.

The number of patient visits by each area during the past year was: medical 1,440; dental, 1,310; nursing, 1,370; nutrition, 366; social service, 1,296; psychological, 178; speech and hearing, 2,029; physical therapy, 953.

Division of Environmental Health

Reflecting its widened scope of activity and the increasing importance of its field of work, the former bureau of environmental sanitation was elevated to divisional level within the Department of Health and redesignated the Division of Environmental Health.

The division continued its program in water pollution control by establishing a permit system for the discharge of wastewater to the coastal waters of the Virgin Islands. This includes plan review, permit issuance, construction, operation and maintenance inspections, and effluent monitoring. An application was filed and a grant offer made and accepted for the construction of the Bethlehem Gut Interceptor; Krause Lagoon Sewage Treatment

Plant and Outfall. The project will cost \$3,275,000, of which \$1,775,950 will be contributed by the Federal Government.

The division established an air pollution control program with the help of a 3-year establishment grant from the National Air Pollution Control Administration.

The *Aedes Aegypti* eradication program terminated by the U.S. Public Health Service in November 1968 was reactivated by the division, and incorporated in its vector-control program. Routine inspection programs in water supply, milk and food processing and handling, eating and drinking establishments, and radiological health were carried out.

The division succeeded in eliminating nightsoil cans in Frederiksted during the year. A substantial reduction was made in Christiansted, and elimination of this form of sewage disposal from the town is expected in fiscal year 1970.

Division of Mental Health

During the fiscal year, the division of mental health continued to expand its services to meet more completely the requirements of the community mental health concept with inpatient and hospitalization services provided by the psychiatric unit of Knud-Hansen Memorial Hospital, and by the general hospitals.

Basic to the Virgin Islands mental health program was the operation of outpatient clinics in St. Thomas, St. John, and St. Croix. Through these, the division offered diagnostic and treatment services, rehabilitation and after-care and training, and also provided for research and evaluation and for consultative and educational services to the community.

The training of staff members in the diagnosis and handling of children suf-

ferring for dyslexia was begun. Consultative services of the staff were made available to various government agencies and community groups which requested them, including Youth Care Center, the Courts of the Virgin Islands, Insular Training School, Head Start, various public schools, and VISTA volunteers.

The Day Care program for discharged patients from the neuropsychiatric ward and for patients returned from St. Elizabeth's Hospital continued with an average enrollment of from seven to nine patients. Seven mentally retarded children between the ages of six and 10 attended a morning group

5 days a week, and 10 children, ages eight to 13, attended three afternoon sessions weekly.

In February of 1969, the electroencephalography laboratory began to function with a full-time technician and a consultant electroencephalographer making weekly visits to supervise the operation and interpret results of tests.

The first Virgin Islands mental health educational film, "The Following Sea," was produced. Publications included "A Time to Learn," "Education and the Social Climate," and "Childhood Behavior Problems in Social Focus."

DEPARTMENT OF SOCIAL WELFARE

Personnel: 426

Operating Appropriation: \$2,358,741

In fiscal year 1969 the department of social welfare continued to provide a broad range of social services and financial assistance to individuals throughout the Virgin Islands. Three new day-care centers were opened, a home-delivered meals program for the elderly was established, and the "declaration method" was instituted in accepting applications for financial assistance.

Financial assistance in all Federal categories, in addition to local emergency and general assistance grants, was administered through the division of family services, which also administers the Medicaid program.

The overall reorganization of the department was a major project during the 1969 fiscal year. Significant changes included the merging of the divisions of family services and aging, and special programs into the division of assistance payments and adult services.

The child welfare division has now become the division of child and family services. The division of vocation rehabilitation, which up to now has been part of the department of education, will shortly be transferred to the department of social welfare and will be the third major division.

Division of Family Services

The division of family services provided basic services of certifying individuals and families for financial as-

sistance, protecting children, the aged and disabled, and rendering social services in an effort to prevent dependency. Under the title V program, opportunities were provided for training and self-employment of low-income individuals. This program at year's end was replaced by the WIN (work incentive) program.

During the fiscal year, total number of persons aided increased by 74, to 2,903. Expenditures increased by \$8,345, to \$852,852. Of this amount, \$549,730 was used for aid to families with dependent children; \$180,500 for old-age assistance. For the year, the average payment for persons being helped was \$31.60 per month. The division was able to close 250 cases during the year, and 285 were opened.

A new approach to determining the eligibility for financial assistance was initiated with the adoption of the "declaration method." This enables the department to accept statements of the applicant or recipient as a basis for decisions regarding his eligibility for assistance and the extent of assistance he is entitled to.

During the last 2 months of the year, the department was reorganized by merging three divisions and programs into two divisions. All aid to families with dependent children and the developing WIN program became part of the new division of child and family services. The remaining programs of the division of family services

and the division of aging and special programs were merged into a division of assistance payments and adult services.

Included in the category of assistance payments are certification and recertification for money payment in the assistance programs for Medicaid, food surplus, burial, and quality control. Included in the adult services category are cancer care, housekeeping, home-delivered meals, aging institutions, St. John sewing project, and the St. Elizabeth's Hospital program.

Division of Child Welfare

During the year the division's caseload increased more than 100 percent due to the transfer of all AFDC cases to the division of child and family services. The number of families transferred were 450 and included 1,547 children.

Both children and their parents must be contacted and services given as needed. In addition, every AFDC household, in which there is a recipient of 16 years or over, must be evaluated for referral to the work incentive program, the purpose of which is make permanent, decently paid jobs available to people on welfare rolls.

The day-care program has again been expanded by the establishment of three new centers located in Estate Tutu, St. Thomas; Christiansted, St. Croix; and Frederiksted, St. Croix. Each new center accommodates 35 children.

At the Insular Training School for Girls, workshops, group sessions and courses were conducted in family life, drug abuse, sex education, and dancing. A beauty parlor facility, to give

beauty culture training courses, was completed in March.

Division of Aging and Special Programs

A home-delivered meals program was begun in September 1968, to provide daily balanced meals to 30 aged persons who are unable to prepare their own food. Purpose of the program is to avoid institutional placement and to provide dietary modifications necessary to improve general health.

A total of 167 men and women were cared for in two residential and nursing facilities, Queen Louise Home on St. Thomas and the Herbert Grigg Home on St. Croix. Shelter care was provided for 56 citizens in the Corneiro Home on St. Thomas and the Aldersville Home on St. Croix.

Homemakers service, with a staff of two housekeepers, assisted six elderly persons to continue to live independently in their own homes by providing daily housekeeping and personal care services.

Other special programs operated by the division included the sewing project on St. John, which provides clothes and school uniforms for needy families; follow-up casework and after-care services for patients returned from St. Elizabeths Hospital in Washington, D.C.; burial of indigents; and referral of Virgin Island patients to the Dr. I. Gonzalez Martinez Hospital in Puerto Rico for treatment of cancer.

During the fiscal year, the division distributed more than 1 million pounds of food through the surplus commodities distribution program of the U.S. Department of Agriculture.



Day care centers are popular in the islands. Mothers who work leave preschool children with trained supervisors under a government social welfare program.

DEPARTMENT OF COMMERCE

Personnel: 85

Operating Appropriations: \$1,755,824

The department of commerce continued in fiscal 1969 to contribute to the vigorous growth of the economy of the Virgin Islands through the work of its principal divisions—the visitors bureau, trade and industry, and information centers in New York, Washington, D.C., and San Juan. During the fiscal year, it was recommended that a fourth information center be established in Miami.

Tourism continued to be the islands' top industry and, in a period of intense

competition for the tourist dollar, the Virgin Islands again set new records. A total of 1,122,311 tourists visited the islands, a 27 percent increase over the last fiscal year. Airline and cruise ship traffic in all three major islands made significant gains.

The department is also responsible for a number of important activities that do not have division status. These are: on-island public relations, the Virgin Islands Rum Council, control of the Virgin Islands advertising pro-



Visitors enjoy exploring a spectacular underwater world in the crystal clear waters off Buck Island reef, St. Croix.

gram, fishing and water sports development, and the industrial incentive board.

The Commissioner of Commerce serves on the following Governor-appointed committees: watch quota, woolen yard goods, water and power authority, and acts as chairman of the Virgin Islands industrial incentive board. He is a member of the executive committee of the Puerto Rico Convention Bureau, the Regional Export Expansion Council of Puerto Rico in the Virgin Islands, and heads the committee on tourism for that group.

Late in the fiscal year, the department organized an ad hoc committee on Virgin Islands advertising and arranged for presentations to the committee by off- and on-island advertising agencies. The committee was made up of officials of the insular government concerned with island advertising and promotion and of representatives of the tourist-oriented businesses of the three islands. Presentations were made to the committee in St. Croix as well as in St. Thomas. Following the presentations, members of the committee made individual recommendations in writing. These were transmitted to the office of the Governor for final selection of a new advertising agency to handle the Virgin Islands account.

Visitors Bureau

The Visitors Bureau had an active and productive year. The number of cruise ships visiting the Virgin Islands reached a new high during fiscal year 1968-69. Among them were a number of maiden voyages to both St. Croix and St. Thomas, and, for these, suitable ceremonies including presentation of plaques were supervised by the Visitors Bureau and presided over by the Governor.

Cruise ship calls at St. Croix jumped

from 40 last year to 67 during fiscal 1969, and the number of passengers visiting St. Croix increased from 15,782 to 18,388 during the same 12-month period, a 14 percent increase in the number of passengers. There were substantial increases for both calls and passengers in St. Thomas for the year ended June 30, 1969, with 491 ships bringing 213,541 passengers as against 342 vessels and 166,177 passengers for the previous year, a 22 percent increase in passengers.

The total number of visitors arriving by plane also gained over any previous year in Virgin Islands history with a total of 908,776 arrivals during fiscal 1969. Air tourism to St. Thomas and St. John jumped from 481,437 for fiscal 1967-68, to 542,709 for the year just ended and St. Croix air tourist arrivals were up from 166,700 to 209,092.

Antilles air boats further increased traffic between St. Thomas and St. Croix. (The convenience of Antilles air boats arrivals and departures in the center of the main cities of both islands has been a material contributor in increasing visitors to both islands who would not otherwise make the trip).

The Visitors Bureau hosted many government officials and prominent citizens during the year and handled visits by travel agents, newspaper and magazine writers, and radio and television personnel, resulting in important publicity and promotion for the islands.

Working with the Commissioner of U.S. Customs, the Department of Interior and other Federal agencies in Washington, the bureau was able to clarify certain rulings regarding the stays of foreign-flag ships in the islands and certain State laws on importation of liquor, especially Maryland and California statutes.

Virgin Islands Information Center, New York

This center, located in Rockefeller Center, serves the metropolitan New York area and, in fiscal 1969, had a record year. It served more than 12,938 prospective visitors who made inquiries either in person, by phone, or by mail and distributed more than 230,865 pieces of literature, fewer than the preceding year when the Governor's Conference created unusual demands.

Personnel of the center also worked closely with every segment of the travel industry with emphasis on booking group and convention business.

Virgin Islands Information Center, Washington

This office serves the Nation's Capital and recorded high levels of activity during the past fiscal year. The staff particularly emphasized attraction of group business to the islands and was instrumental in arranging many such visits. In addition, calls were made on travel agents; 612 requests for information answered and 29,021 pieces of literature were distributed.

Trade and Industry

The Virgin Islands economy continued to reflect considerable expansion—the eighth year in a row, beginning in 1961. All economic indicators showed substantial gains, with tourism overshadowing all other sectors. New records were again attained in external trade bank debits, employment, personal income, manufacturing, electrical energy generation and construction.

Economic progress, however, was somewhat tempered by a few difficult problems, including inflation. High interest rates and the 60-day national stevedore strike both had adverse effects.

New records were again attained in Virgin Islands trade, reflecting substantial increases in the value of imports and exports. Total imports were valued at \$260,160,366, an increase of 50.2 percent over the previous year. Of this total, approximately \$152,393,269 represents imports from the United States, while \$107,777,097 were from foreign countries. Exports also jumped from \$74.5 million in 1967 to \$123.4 million in 1968.

The trade and industry division participated in the submission of two protests to the Federal Maritime Commission concerning increases in freight rates and in conferences with other Federal agencies including the Economic Development Administration, the Small Business Administration, and the U.S. Department of Commerce.

During the fiscal year just ended, the 15 Virgin Islands watch companies—11 on St. Croix and four on St. Thomas—exported approximately 3,808,528 watch movements and parts to the United States.

During the period just ended, Admiral Time Corp. was purchased by Sheffield Corp., and the operations of Sussex and Virgiline were transferred to St. Thomas.

The payrolls of these companies amount to a little over \$3 million per annum and employ approximately 1,000 persons.

Industrial Incentive Board

In fiscal 1969, the industrial incentive board recommended to the Governor that 13 certificates of tax exemption be granted. Only four recommendations of denials were made. Three conditional documents and two extensions of conditional documents were granted.

Operating experience indicates that the increase in grants and reduction in denials have not been at the expense

of the standard established by the act.

Total annual payrolls of tax exempt firms increased by 24 percent over fiscal 1968. Total average payrolls per firm increased over 11 percent in the same period, while average annual pay per employee increased over 12 percent.

The industrial inventive program was specifically instrumental in inducing a large textile firm to invest more than \$2.5 million fixed capital. This firm will employ more than 225 trained people. This is considered a big step forward in providing the islands with a sound, diversified economic base from which balanced economic growth may proceed. The board has continued the policy of forestering tourism by granting tax exemption to a \$10 million luxury hotel resort complex.

Recent provisions of the industrial incentive act have included condominiums in the tax exempt activity. This new provision has been very attractive, as shown by the large number of applications filed. Unfortunately, legal complications have held up disposition of these applications, but two grants were recommended to condominiums. This included a \$1,500,000 project providing 42 luxury suites for individual ownership and tourist facilities.

In addition to a successful and busy year, the board has undertaken an ambitious program to codify and streamline its administrative procedures. A committee has been formed to prepare rules and regulations governing the board.

Virgin Islands Rum Council

Rum sales continue to grow at a faster rate than sales of any other type of liquor—up 22 percent in 1969, or four times faster than the liquor industry as a whole. However, the Virgin

Islands has not shown a comparable growth in this expanding market.

In 1964, Puerto Rico controlled 65 percent of the total rum market. The Virgin Islands at the same time controlled 25 percent. In 1969, Puerto Rico had increased its share of the rum market to 75 percent, while the Virgin Islands had slipped to 18 percent.

In fiscal 1969, the Virgin Islands shipped 1,651,847 proof gallons of rum to the United States, approximately 20 percent more than in the previous year. During the same period, however, the excise tax returns fell from \$12,998,365 in 1968, to \$11,633,873 in 1969—a loss of \$1,364,492.

In the past 10 years this unusual situation of rum shipments being up while excise tax returns were down, occurred only once before, 1963. The situation then was explained by the liquor handbook of 1964 as an "inventory situation in the trade." As they stated "It would seem that some wholesalers in large urban areas went into January 1963 with a rum supply in excess of retail and consumer demand and that they 'marked off' this stock while placing only token orders."

A similar situation could have occurred last year as indicated by the erratic record of monthly shipments of rum for fiscal 1969. This was the result of over-ordering last year by distributors in the United States to offset the then pending shipping strike. July and August showed unusually large shipments in anticipation of the strike that came in September.

November orders were extra large, when the Taft Hartley Act was invoked, and March and May were up following the strike settlement in late February.

However, this does not fully explain the \$1,364,492 loss in excise tax returns during fiscal 1969. Nor can such a sudden drop in income be explained

by a lack of sufficient or effective rum promotion. It is, however, a matter of record that the original rum promotional budget has been continuously reduced from \$250,000 to as low as \$130,000 at one time. It was slowly increased later to \$240,000, its present level. This budget is in contrast to an expected \$3 million advertising budget for Puerto Rico's counterpart of the rum council.

The advertising budget of the Puerto Rican rum industry itself includes Bacardi, Schenley, Heublein, and other national brands, adds another \$3.5 million to Puerto Rico's rum promotion or a total advertising budget of \$6.5 million.

Public Relations

Current public relations activity in the Department of Commerce centers on hosting for the Governor's office. The hosted people are mainly Asians and Africans in the Virgin Islands as part of America's image program for the emergent nations, conducted by the U.S. Department of State.

Periodic familiarization and update travel includes trips to the Washington, D.C., New York City, Puerto Rico, and St. Croix offices. Other mainland cities and Caribbean islands are visited for seminars, conventions, and conferences.

Fishing and Water Sports

Value to the islands of the water sports "industry" reached a new high

in 1968-69, and facilities in being are more numerous than ever before.

Water sports now account for approximately 15 percent of Virgin Islands tourism income. Thus, water sports have become "big business" for the islands. The 15 percent figure which is conservative was arrived at through more than 80 personal interviews with members of the industry made by the director and the assistant director during July and August of 1968.

The largest charter sailing fleet in the Caribbean now "home ports" in the three Virgin Islands. Actual count, at the height of the season, was 201 "bare" and "crewed" sailing yachts available for charter—up from approximately 125 the previous season.

Regular telephone contact was maintained with water sports people on St. Croix and St. John as well as St. Thomas. Office "information sheets" covering all facilities on all three islands are up-dated quarterly.

See appendix D for tables on:

Amount of tourist expenditures—
\$112,268,245.

Comparison of air traffic passengers—968,776.

Comparison of cruise ship passengers—491 ships; 213,541 passengers.

Distribution of wages and employment.

Tax exempt business subsidy payments.

Watch movements and parts shipments.

DEPARTMENT OF AGRICULTURE

Personnel: 147 Full-Time
3 Part-Time

Operating Appropriation: \$1,991,766

The 1969 fiscal year was marked by excellent progress in implementing existing programs and by the initiation of significant new programs aimed at furthering up-to-date practices in farming, soil and water conservation, and the breeding and raising of livestock.

This year, most of the resources of the Department of Agriculture were directed to the continuation of the grain sorghum program, initiated last year as part of a search for a practical

crop for St. Croix, and as a means of reducing the cost of producing beef and milk on the island.

The tick program, undertaken last year after the bont tick was discovered in a small area around Frederiksted, has been highly successful, and no bont ticks were reported during the 1969 fiscal year. By the end of the fiscal 1969, approximately \$373,000 in local funds had been spent on the tick eradication program.

A fruit tree propagation program



Under a continuing program of agricultural research and development, new crops are being grown to replace the phase-out sugarcane industry.

initiated in 1968 to replace destroyed trees and to increase the number and quality of fruit trees in the Virgin Islands continued to show excellent results this year. New programs initiated during the year included importing of goats and pigs, intended to rejuvenate the bloodlines of local animals.

Many of the steel buildings purchased from a firm in Puerto Rico were erected this year: a building 320' x 80', used as an equipment shelter and garage; another building, which will be used as a marketing center; and a third building, to be used as a forestry and horticultural center.

The farmland exemption bill was approved by the legislature of the Virgin Islands on March 29, 1968. The bill provides a tax exemption of 75 percent on farmland, including structures and improvements thereon, used actively and solely for agricultural and horticultural purposes.

For the tax year 1968, 79 individuals, firms, and corporations filed 141 applications, which were certified by the commissioner of agriculture in accordance with the farmland exemption refund rules and regulations. Applications for exemption were requested on 14,899.88 acres, and a total of 14,022.10 acres was granted a 75 percent reduction in real property taxes.

Grain Sorghum Program

It has been proved by the planting of more than 15 varieties that grain sorghum can be grown and harvested economically in the Virgin Islands. The current program may have dramatic effects on the future of agriculture for the Virgin Islands. Sorghum can be adapted to the feeding of different species of livestock, and because it is adaptable to many soil and water conditions, there is an excellent chance that hundreds of idle acres in the Virgin Islands could become productive.

This year, about 140 acres of government-owned land was planted in sorghum. In addition to this government acreage, another 300 acres were planted on five privately owned farms on St. Croix.

In conjunction with the growing of sorghum, a silo was erected in Estate Lower Love to store grain during the dry season, when grain is difficult to obtain and farmers lose large numbers of livestock.

Soil and Water Conservation Program

This program is administered by the board of supervisors, the Virgin Islands soil and water conservation division, and the U.S. Soil and Water Conservation District.

Dams are now being built at the rate of one per month under the Virgin Islands dam building program, administered by the Department of Agriculture. On the Island of St. Croix, there are now approximately 200 earth dams, with a total capacity of 359 million gallons. On St. Thomas, there are approximately 42 dams with a capacity of 43 million gallons. St. John has nine dams with a capacity of 24 million gallons. This program is important as a source of water stored during dry weather and to raise the water table in the islands.

Under the unified agricultural conservation program for the Virgin Islands, the following activities were carried out: brush control, 2,879 acres; farm pond construction, 10; irrigation pipelines, 8,909 feet; pasture planting, 37 acres; troughs or tanks, 5 tanks; farm pond renovating, 15 ponds; and wells, 19.

Marketing

The department's marketing service continued its distribution of both crops and livestock during fiscal 1969. Crops distributed included mangos, papayas,

soursops, tomatoes, peppers, cucumbers, and yams. Livestock distributed included, cattle for beef, sheep, goats, and pigs.

Abattoirs

During the year ending in June 1969, almost 5,915 head of livestock were slaughtered in the St. Croix and St. Thomas abattoirs.

Land Preparation Service

The department's heavy equipment served most of the farmers requesting land clearing, plowing, or seed bed preparation. Approximately 3,500 hours of plowing, harrowing, banking, and bulldozing were provided by this service during fiscal 1969.

Other Services

The department furnished citizens other important services during the fiscal year. Forage choppers served livestock farmers with 4,500 tons of green chopped feed; 18,700 gallons of molasses were procured for livestock farmers, and both products were made available at 50 percent of the market price. Emergency livestock grains amounting to 450.55 tons were distributed during the year on the subsidy program.

A major fruit tree propagation program, initiated in 1968, was continued. Because of drought, destruction of trees, and other causes, there has been

a serious deficiency in the number and quality of fruit trees in the islands.

During fiscal 1968, the Department of Agriculture initiated a massive program to combat this situation. During fiscal 1969, 39,672 trees, secured from local sources, the British West Indies, and Puerto Rico, were distributed.

A herd of about 30 milking goats was purchased in Waco, Tex., to rejuvenate the bloodlines of local herds. Many ewes from local herds have received service from rams in the department's flock which, since its arrival, has increased in size due to new births.

During this period, a shipment of purebred pigs from Puerto Rico was also received. Most of the sows have given birth to a litter, and the baby pigs will be sold to farmers for the strengthening of their herds.

Division of Veterinary Service

The division continued to serve farmers of St. Croix, experiencing a relatively disease-free period. Hog cholera cases have reached a new low since the Virgin Islands have complied with recommendations by eliminating use of vaccine.

The tick eradication program continued with success. No bont ticks were found between July 1, 1968, and June 30, 1969. During the fiscal year, more than 46,000 animals were dipped, including 33,586 cattle, 7,268 sheep, 3,885 goats, and 1,692 horses, mules and donkeys.

DEPARTMENT OF LABOR

Personnel: 72

Operating Appropriation: \$553,342

Fiscal 1969 saw the start of work on the rehabilitation of the Department of Labor building in Christiansted, which will result in better coordination within the department, in that the office of the commissioner and those of his staff, formerly located in separate buildings, will be in the same building.

Also of major importance was the preparation of rules and regulations governing the conduct of hearings and other proceedings before the Department of Labor. In order to develop the most comprehensive rules possible, a committee of seven, representing a cross section of the community, was formed. Rules were then drafted and submitted to members of the Virgin Islands bar, management, labor, and others for review and comment.

When the rules are published, they will become part of the Government's rules and regulations, pursuant to title 3, chapter 20, section 358 of laws of the Virgin Islands.

Training of the staff has continued as one of the department's top priority efforts. During the fiscal year, efforts were made to develop a training program in cooperation with the Institute of Labor Relations of the University of Puerto Rico, the College of the Virgin Islands, and the division of personnel.

The overall training program also included seminars, conferences, and training sessions covering such topics as collective bargaining and investigation of unfair labor practice cases.

The classifications of payroll inspector and enforcement officer were reclassified as labor officers by the division of personnel, with increases in salaries and the new qualification that both these positions require an associate in arts degree.

In August 1968, the Virgin Islands were joint hosts with Puerto Rico to the joint conference of the Association of Labor Mediation Agencies.

This year, the Governor appointed the Commissioner of Labor to the chairmanship of CAMPS (cooperative area manpower planning system), a group responsible for the development and coordination of central planning for all agencies and programs concerned with manpower development and utilization. Present plans call for setting up the CAMPS secretariat as an independent group, funded federally, and operating under the supervision of the State chairman.

Division of Labor

During the year, payroll inspections increased, both because of the increase in the number of businesses and the employment of additional labor officers. Payroll inspections totaled 1,046, a decrease of 1,055 over the preceding period. Back pay due employees as the result of facts disclosed by these investigations amounted to \$34,509, up \$20,432 from last year's figure.

There was continuing activity in the area of union representation and certification by the department. Certifica-

tions issued to labor organizations totaled 17 for the year.

This year, the Government Employees Association, a local of the Virgin Islands SIU, AFL-CIO, was active in organizing government employees. As set forth in Executive Order No. 68-1964, the department's responsibility in this area is limited to a determination of (1) the showing of interest by the petitioning union, and (2) the appropriateness of the unit.

Alien Labor

While no precise facts and figures are available, the number of noncitizens is estimated at between 15,000 and 20,000, which would be about 20-28 percent of the total population. It is also estimated that they constitute about 49 percent of the total labor force. This influx poses difficult problems in all areas of community concern, including housing, welfare, public safety, economics, and education.

During the year the senate of the Virgin Islands established the Commission on the Status of the Noncitizen. The commission is comprised of 17 members, including six senators, representatives of the clergy, management, labor, the public, and government officials.

A report of the commission is due in September or October 1969.

Unfair Labor Practice Cases

Continuing improvement in labor-management relations is reflected in the fact that filing of unfair labor practice charges continued to decline this year. A significant change, too, has been the trend to the resolution of disputes through settlement agreements. This year, only 311 charges were filed. Of these, all were settled informally.

It is noteworthy that work stoppages have been few, infrequent, and of short duration. Under its statutory authority,

the department moved promptly to resolve these problems at the earliest possible stage.

Application for Employment

As in the past 3 fiscal years, the department continued to place residents in practically all job classifications in private industry. This action was due to a combination of factors including administration of the resident preference statutes and the recruitment program.

Division of Apprenticeship and Training

This year, nine certificates, giving them journeyman status, were awarded to apprenticeship trainees, a decrease of five over last year. At the close of fiscal 1969, the number of apprentices registered were 66, 10 of which are new.

Giving impetus to this program has been the increased demand for more trained workers in the skilled trades. Efforts continue to enlarge programs, explore new possibilities, promote wider participation in Federal and local programs, and increase employer support.

Division of Veterans Affairs

Preparations were made for the 23d annual convention of the State Directors of Veterans Affairs, which is to be held in St. Croix the week of September 19. The legislature showed its full support by appropriating \$13,000 for the convention.

The division was officially recognized and accredited by the Veterans' Administration, Washington, D.C., this year, which permits it to prepare, present, and execute claims arising under statutes administered by the Veterans' Administration.

Efforts continued toward the development of an effective guaranteed

loan program for veterans. This year, 20 VA loans were extended to veterans in the Virgin Islands, totaling \$46,700.

Workmen's Compensation

Cost of workmen's compensation this year was \$393,301, an increase of \$59,451 over last year. This includes disability, temporary and permanent total disability, temporary and permanent partial disability, death compensation, medical costs, including transportation, and medical fees.

Operating budget for the division was \$160,465. The method of financing the cost of administration, as well as the payment of claims, is from the revenues by the Government insurance fund in premiums and interest from investments.

The number of fatal accidents was 1,525 this year, at a cost of \$393,301.98. Installment benefits in these cases extend for 40 months.

An increased number of safety in-

spections were made, bringing the total from 1,560 for fiscal year 1968, to 3,340 for fiscal year 1969.

Two amendments to the chapter on workmen's compensation were made. The first would provide for a more flexible procedure for filing claims and the payment of premiums. The second would permit Government employees injured on the job to receive full pay to the extent of accrued leave up to 90 days and to have the used leave restored by workmen's compensation paying the award to the employing unit for the lost time due the employee.

Virgin Islands Wage Board

The wage board issued its Minimum Wage Order No. 8 and Minimum Recruitment Wage Order No. 2, effective May 7, 1969. This order was published in the Virgin Islands Register, whereupon it became official and applicable to each industry and classification listed.

DEPARTMENT OF CONSERVATION AND CULTURAL AFFAIRS

Personnel: 185

Operating Appropriations: \$1,401,100

The Department of Conservation and Cultural Affairs is the newest of the executive departments of the Government of the Virgin Islands. It was established by act No. 2238, approved July 1, 1968 and organized as an operating department on October 20, 1968, pursuant to Executive Order No. 119-69.

The major on-going activities which were transferred from other departments of the government, are parks and beaches, recreation and sports promotion, libraries and museums, beautification, and the Council on the Arts. Other areas of responsibility include fish and wildlife, trees and vegetation, and water resources; air pollution and water pollution; flood control; mineral and other natural resources and preservation of historical and architectural heritages of the Virgin Islands.

Another area of activity includes the establishment of close liaison with Lawrence Halprin and Associates who have been engaged by the Government of the Virgin Islands to prepare a comprehensive design plan for the Virgin Islands.

The department is administering the Virgin Islands conservation fund into which oil royalties amounting to \$2.7 million annually are deposited pursuant to an agreement between the Government of the Virgin Islands and Hess Oil Corp. Appropriations were released for outdoor recreation; parks and beaches, including acquisition of

land and beaches; development of historical sites; beautification including programs and projects for the restoration and enhancement of the scenic beauty of the Virgin Islands; projects of the arts council, including the Virgin Islands Institute of the Arts; comprehensive design and planning of environmental resources preservation; and development of public television in the Virgin Islands.

Land and Water Conservation Fund Act Program

The department serves as the state liaison agency for the Land and Water Conservation Fund Act program administered by the Bureau of Outdoor Recreation, U.S. Department of the Interior. This program provides funds for and authorizes Federal assistance to the States for planning, acquisition, and development of outdoor recreational facilities. Planning grants were received and phase I of the Comprehensive Islandwide Outdoor Recreation Plan for the Virgin Islands was completed.

Bureau of Recreation and Sports Promotion

Activities—Summer Program

Baseball: A total participation of 22 baseball teams comprised of 350 boys between the ages of 9 to 17. The teams are broken down into two categories—Little League and Pony League.



As part of the stepped-up activities of the new Department of Conservation and Cultural Affairs, schoolchildren join in an island-wide clean-up and beautification program.

Basketball: Participation of 330 boys in 30 teams divided into biddy, intermediate, junior, and open.

Recreation centers: The center in St. Thomas provided a summer day camp for children between the ages of 7 to 14 besides its regular activities. St. Croix center provided the regular activities. These included arts and crafts, sewing, table tennis, etc.

The Bureau, together with the various federations of the Virgin Islands, sponsored women's softball, biddy basketball, junior basketball, baseball games involving the total community were assisted by the bureau. These included triple "A," class "A," and superior league. The bureau sponsored several track and field meets and assisted in the cross-country runs sponsored by the sportsminded merchants and businesses.

The program for the aged has been well established and doing fine in St. Thomas; the program is still in the formative stage in St. Croix. Stage shows, talent shows, professional boxing, religious rallies, etc., have used the facilities of the bureau.

Facilities—St. Thomas

Emile Griffith Park is one of the better kept areas. Its primary use is for softball. Lighting facilities have been improved. Restrooms have been provided and general maintenance good. The bleacher situation fluctuates with activities in other areas. Needed is the installation of permanent seating facilities.

The French Town ballpark is used primarily for softball. Needed are dugouts, toilet facilities, and seating facilities.

Lionel Roberts Park is the most used and abused recreational area. Baseball is what it was constructed for, but talent shows, stage shows, boxing (professional), are also conducted there.

Smith Bay and Nadir are areas that require complete development. There are other areas within St. Thomas that can be developed, but acquisition is first priority.

The recreation center is the focal point of most of the activities conducted. The total area is rather small for planned programs; activities are all geared toward the general community use.

St. Croix

D. C. Canegata Park is used as a general sports area. There are baseball fields, softball fields, soccer and cricket fields, tennis courts and basketball courts.

The Paul E. Joseph Stadium is used for softball and baseball. The total area could be or should be improved to bring the area up to standard.

Virgin Islands Libraries

Public libraries circulation increased by 5,221, totaling 85,270 volumes loaned for home use, or a per capita of 2½ books.

New readers, 975; showing a total registered borrowers of 5,108 in three islands.

Volumes

| | |
|---|--------|
| New volumes added..... | 10,207 |
| Replacements..... | 2,391 |
| Discards & withdrawals..... | 867 |
| Reference queries answered from the Von Scholten collection: | |
| In person, including students.. | 784 |
| By letter and telephone..... | 110 |
| Talking books for the blind bor- rowed..... | 241 |
| Special Caribbean books borrowed. | 420 |

Publications: Catalog of Microfilms 1969 (March); Theses on Caribbean Topics 1969 (June); Biographical

Listing of Governors 1665–1917 (in press); Periodical accessions listing.

Conference participation: The following conferences were held towards greater participation in Caribbean library development:

1. Association of Caribbean Universities and Research Institutes and Libraries (ACURIL). Initial conference at Heads of Caribbean Universities Conference in Puerto Rico. Library section (Nov. 1968).
2. Inauguration of the College of the Virgin Islands Library, St. Thomas (March 1969).
3. Co-Sponsor with Corporation for Economic Development of the Caribbean (CODECA) of Puerto Rico-Virgin Islands Library Conference, in Puerto Rico (June 1969).
4. Association of Caribbean Universities and Research Institutes and Libraries, Puerto Rico (June 1969).
5. Seminars on the Acquisition of Latin American Library Materials, conference (June 1969).

Virgin Islands Library assistants trained in Puerto Rico at the Caribbean Regional Library for computerized bibliographical compilations and collaboration with Caribbean Regional Library for the "Current Caribbean Bibliography."

Photoduplication laboratory was improved by the addition of Diazo jackets equipment, and other small pieces of equipment for total service. Microfilm holdings were increased from 970 to 1,624 items. The filming of all the inactive files of the Division of Personnel were reduced to 30,000 feet, totaling 9,000 jackets completed; of these, 4,500 Diazo duplicates were sent to the Division of Personnel, with security negatives (4,500 mylar

jackets) stored at the library. The Department of Health's reports of vital statistics for 1967 and 1968 were filmed on 16 rolls, or 1,600 feet of 16mm. film in a 2-week period. Robertson vertical copy camera and vacuum frame for platemaking were purchased, and a 1250W model Multilith press was also acquired by the library.

Interlibrary cooperation: Joint sponsoring of library conference for the Caribbean between Corporation for the Economic Development of the Caribbean (CODECA), Puerto Rico, and the Virgin Islands libraries, to the amount of \$2,000 from title III of Library Services and Construction Act.

The directors of libraries and museums also participated in the inauguration of the Ralph M. Paiewonsky Library of the College of the Virgin Islands, and served as resource persons for the 3-day conference entitled "Sharing Caribbean Resources." All four nationalities of the Caribbean in England, Denmark, and the United States. It was a unique conference in the Virgin Islands.

Exchange program distributed 49 Virgin Islands publications during the year to over 211 libraries and individuals in the United States, Europe, and the Caribbean.

Beautification Division—St. Thomas, St. John, St. Croix

The Beautification Division's program is divided into two major areas: (1) Nursery and landscaping of public areas, (2) beautification and environmental education.

Planted Areas and Nursery

We maintain 19 separate areas in St. Thomas, four in St. Croix, and two in St. John. Extensive plantings completed this year have been:

(1) The Roosevelt Park, (2) Legislature Garden, (3) Government House, (4) immigration offices, (5) Hibiscus bed at Fort Christian, (6) the triangle at Wayne Aspinal School, (7) A Hibiscus hedge from Subbase to Chinaman Hill, (8) garden at the rear of the conservation office.

St. John: (1) Rock garden in front of Julius Sprauve School, (2) extensive refurbishing of the administrator's garden.

St. Croix: (1) Christiansted Fort area, (2) mahogany trees on Island Center road, (3) triangle at Peter's Rest planted twice, (4) assisted in maintenance of the St. Croix High School.

A misting system has been extended at the plant nursery. Thirty concrete bins approximately 4 to 6 feet wide and 12 to 15 feet long, with a 2-inch wall around them to contain water, have been built at the nursery.

A beautification officer has been placed in direct charge of the day-to-day operation of the nursery. The division also organizes garden clubs, the conservation film program in the schools, and has distributed approximately 3,000 trees.

Many special projects were carried out by volunteers. The following special projects were implemented in the three islands:

1. Plants for Mothers Day.
2. Beautification litter bags.
3. Special book covers for all Virgin Island schoolchildren.
4. Mystery tune contest.
5. Poster contest.
6. Assisted Wayne Aspinal Garden Club and St. Croix High School.

Ours is an exciting and growing program. All of the staff are proud to be a part of the beautification division of the Department of Conservation.

VIRGIN ISLANDS EMPLOYMENT SECURITY AGENCY

Personnel: 64

Operating Appropriation: \$639,481

The Virgin Islands employment service concluded fiscal 1969 with an increase in most activities over fiscal 1968. Among the several special programs with which the agency was concerned were: Manpower Development and Training, Job Corps, Neighborhood Youth Corps (out-of-school), and the new Work Incentive program. Also of interest was the relocation of the Christiansted local office to a more central location.

During the year, total employment on the three islands rose to 32,720, an increase of 1,549 jobs in the local economy.

Unemployment Insurance Activities

January 1, 1969, the midpoint of the fiscal year, was also the fifth anniversary of benefit payments under the Virgin Islands unemployment insurance law.

During that period, 4,792 claimants filed and collected \$606,315 under the local program. Through the local unemployment insurance offices, \$68,270 was paid under Federal programs to veterans and Federal employees. A cumulative total of 4,035 employers was registered or found subject to Virgin Islands unemployment insurance law.

During fiscal 1969, employers on file increased from 1,767 to 2,035, of which 345 are new employers. Both of these figures are indicative of accelerated

growth in the Virgin Islands economy. Employer collections for the year were \$1,002,696, a figure that reflects the impact of last year's six-tenths of 1 percent reduction in employer taxes.

Fiscal 1969 saw a decrease of 24 percent in the total number of claimants, though there was an increase of 151 percent in the number of veterans filing, and an increase of 300 percent in the benefits they received. Total benefits paid to veterans amounted to \$27,548, as opposed to \$6,895 last year.

Federal employees trebled and payments to them increased to \$2,359, as opposed to \$1,562 paid during fiscal 1968.

Total payments under all unemployment insurance programs totaled \$156,456, a decrease of \$45,438 from fiscal 1968.

Toward the end of the fiscal year, the work of the unemployment insurance service was expanding. The 7-day period in which claimants under the local program are being paid is to be extended to claimants under Federal programs, MDTA, UCFE-UCX and WIN. When arrangements are completed, 7 days will be the established period for all claimants, trainees, and enrollees.

Employment Service

The Virgin Islands employment service budget for fiscal 1969 totaled \$397,130, including Manpower Devel-

opment and Training Act program, Job Corps program, CAMPS program and the Work Incentive program.

Total funds for training were increased from \$63,000 to \$100,000 a year. The employment service continued work on the development of a grant from the Economic Development Administration of approximately \$76,000 which, with an equal amount expected from Virgin Islands funds, would be used to establish two skill training centers, which would remove the major obstacle to full-time training.

Late starting of projects reduced slightly, from 85 to 77, the number of persons receiving training under the Manpower Development Training Act, though there was an increase of \$10,000 in training and subsistence allowance payments made to MDTA trainees.

The employment service was able to refer 258 youths, against a quota of 296, for the Job Corps program. Recruitment for job training in Job Corps centers was curtailed toward the end of fiscal 1968 as a result of the closing of several training centers.

The service's cooperative arrangement with the Neighborhood Youth Corps resulted in the placements of a number of youths from the program. The service was utilized throughout the year as a training station for enrollees.

Staff recruitment for the Work Incentive program, the newest addition to employment service programs, was completed in March 1969. By the end of the fiscal year in June, 26 transferees from the work experience program had been enrolled in the new program.

Placements of Virgin Islands citizens totaled 2,384, including 673 in construction, 283 in manufacturing, 82 in public utilities, 388 in wholesale and retail businesses, 61 in finance, 366 in private households, 27 in the Federal Government, 136 in State government, 349 in service (except private household), and 19 in industries not elsewhere classified.

Certification of foreign national to supplement the local labor force was continued, with major emphasis placed on the processing of permanent certifications for workers. New permanent certifications for foreign nationals totaled 1,849. Recertifications issued numbered 8,387 and schedule A cases numbered 144, for a total certified alien work force of 10,380.

New certifications included 701 in construction, 134 in manufacturing, 65 in public utilities, 238 in wholesale and retail businesses, 42 in finance, 291 in private households, 1 in the Federal Government, 17 in State government, 345 in service (except private household), and 15 in industries not elsewhere classified.

DEPARTMENT OF PUBLIC WORKS

Personnel: Permanent 801
Temporary 828

Operating Appropriations: \$9,090,704
Matching Funds: 3,196,808

Throughout the fiscal year, the Department of Public Works continued to provide the basic services of road construction and maintenance, provision of fresh water, construction and maintenance of water distribution and sewage systems, collection and disposal of garbage, operation and maintenance of public cemeteries, and repair and maintenance of government buildings.

A total of \$9,090,704 was obligated during fiscal 1969 for basic services, compared to \$7,072,145 for fiscal 1968. A total of \$3,196,808 was expended by the department on capital improvement projects under the matching funds program.

Road and Street Improvement

A total of 5.5 miles of roads and streets was reconstructed and paved on St. Thomas, and 7.4 miles on St. Croix. The largest single project on St. John was reconstruction and paving of the Johns Folly Road which parallels the eastern shore of the island. Other roads in Cruz Bay areas were also improved. Substantial reconstruction and improvements were made to the roads on St. Croix, including reconstruction of portions of the Centerline Road.

The department cooperated with the Federal Bureau of Public Roads in conducting a study and reporting on the highway needs of the Virgin Islands. The report consists of an inventory of the present highway systems, with

forecasts and cost estimates of future needs to justify inclusion of the Virgin Islands in the Federal Aid Highway Program.

Unusually heavy rains in February and May of 1969 caused extensive damage to roads on the three islands. Restoration of the damaged roads required an estimated additional expenditure of \$300,000.

Street Cleaning and Garbage Removal Service

The volume of garbage and trash collected and disposed of was more than double that handled during fiscal 1968. Service was extended to all populated areas of the islands, including new subdivisions and hotels. Public cooperation in the use of collection points improved during the year and littering along public roads and streets showed a marked decrease.

The garbage dump in Cruz Bay, St. John, was abandoned and removed to a remote location on the eastern end of the island. Construction of a new incinerator, one and a half miles east of Cruz Bay, was started and will be completed in September 1969. Because down-wind areas are becoming more populated, open burning of garbage and trash at central locations on St. Thomas and St. Croix is becoming increasingly objectionable. Plans have been made for replacing the open dumps with incinerators which will eliminate smoke and odor nuisances.

Water Supply

On St. Thomas, the demand for fresh water averaged 1,444,000 gallons per day. The combined production of the three desalination plants totaled 68 percent of this amount; the remainder was barged from the Roosevelt Roads Naval Station on Puerto Rico.

The rated 1-million-gallon-per-day desalination plant on St. Croix began production in October 1968. The plant output during fiscal 1969 was 60,302,000 gallons. A total of 22,351,000 gallons was barged to Christiansted from Puerto Rico.

The second 10½-million-gallon water storage tank was erected at Kings Hill, 5 miles west of Christiansted and will be in service by September 1969. A 1-million-gallon storage tank was completed near Fredericksted, and a similar one erected on Recovery Hill near Christiansted. This second tank will be connected to the distribution system by October 1969.

As on St. Thomas, the water distribution systems on St. Croix are constantly being extended for service to existing housing and newly developed areas. Renewal of the Fredericksted water distribution system under a Federal grant project has been delayed due to complications of contractor bonding, but the notice to proceed on the construction will be issued by August 1969.

A total of 17,673,000 gallons of water was barged from St. Thomas to

St. John, of which 14,717,200 gallons were delivered to Caneel Bay, 2,628,-400 gallons to Cruz Bay, and 328,100 gallons to the Tektite project on Lameshur Bay.

Sewage Disposal

Sewage systems on St. Thomas and St. Croix were maintained and extended to new areas. New sewage outfalls were constructed at Betty's Hope, Fredericksted, and La Grand Princess on St. Croix, and the main outfall line on St. Thomas was renewed from the pumping station to Crown Bay. Detailed surveys are now under way to provide sewage treatment plants that will eliminate pollution of harbors and shore areas on St. Thomas and St. Croix.

Engineering, Design and Construction

A total of 1,992 building permits representing \$65,091,755 value of construction was issued during the year, compared to 1,501 permits, representing \$48,068,900 value during fiscal 1968.

Building by public works forces included a new post office at Cruz Bay, St. John. On St. Croix, the department constructed sewer and water pumping stations, one sewage treatment plant, and foundations and utilities for prefabricated schoolrooms. Inspection services were performed for all public and private construction.

DEPARTMENT OF FINANCE

Personnel: 290

Operating Appropriations: \$2,294,757

As the major fiscal agency of the Virgin Islands, the Department of Finance is affected by every increase in social and economic activity in the islands. The year ended June 30, 1969, was another period of growth in both revenues and expenditures which required an increase in governmental services. The Department also was given responsibility for the Alcohol Control Board as an entirely new function.

To handle the increased volume, the Department added new, more sophisticated computers and undertook intensive on-the-job training programs to enable staff members to adapt to the new equipment. New accounting procedures were also developed to speed up payment of bills. Another major achievement was application of

new management techniques to government deposits which will substantially increase interest revenues.

The government insurance fund continued to report a steady rate of growth, and the fund remains solvent.

A total of approximately \$1 million in premiums was collected during the fiscal year, and merit rating reductions in premiums, in a total amount of \$117,218.83, were approved for 130 employers during the same period. These amounts represent significant increases.

Fiscal 1969 was marked by an all-time high in revenues collected in all funds involved in the operations of the government with a total of \$96,511,513. This total was divided into three major groupings:

| | Amount | Percent |
|--|--------------|---------|
| General fund..... | \$56,117,511 | 58.14 |
| Matching fund and essential projects fund..... | 12,756,771 | 13.22 |
| Special and other funds..... | 27,637,231 | 28.64 |
| Total..... | 96,511,513 | 100.00 |

Collections into the general fund, principal operating fund of the government, were as follows:

| | |
|-----------------------------------|--------------|
| Taxes..... | \$60,501,583 |
| Government operating revenue..... | 2,031,771 |
| Other revenues..... | 33,978,159 |
| Total..... | 96,511,513 |

Collections into the matching fund and essential projects fund, the recipient funds for Federal internal revenue taxes collected in the United States on imports from the Virgin Islands were divided into three categories:

| | |
|--------------------------------|--------------|
| Internal revenue returns..... | \$12,627,871 |
| Interest on bank balances..... | 0 |
| Refunds..... | 128,900 |

| | |
|------------|------------|
| Total..... | 12,756,771 |
|------------|------------|

The third major collections category includes special and other funds. Most of the trust and deposit funds, and enterprise and revolving funds, such as the Virgin Islands lottery fund, and the government insurance fund, are excluded since they do not relate directly to general governmental operations. The special and other funds did provide the following:

| | |
|----------------------------------|-------------|
| Taxes..... | \$9,531,972 |
| Government operating Income..... | 979,672 |
| Federal grants-in-aid..... | 6,107,086 |
| Other revenues..... | 11,018,601 |
| Total..... | 27,637,231 |

During fiscal 1969, the Government of the Virgin Islands sold bond anticipation notes in the amount of \$352,000 and, at the close of the year, the amount borrowed through bond sales for the past 5 years was \$20,045,000. Bond financing had been used for the following purposes:

| | |
|---|-------------|
| Schools..... | \$7,850,000 |
| Hospitals..... | 2,000,000 |
| Water systems expansion..... | 3,063,000 |
| Power and water desalination facilities*..... | 6,560,000 |
| Sewage facilities and treatment..... | 470,000 |
| College of the Virgin Islands..... | 102,000 |
| Total..... | 20,045,000 |

*Funds were paid over to and expended by the Virgin Islands Water and Power Authority.

Public Law 88-180 passed by the Congress of the United States limits such borrowings to 10 percent of the aggregate assessed valuation of taxable real property in the Virgin Islands. As of December 31, 1968, this valuation amounted to \$247,914,452. Following is a comparison of the ceiling with local authorizations and actual borrowings:

| | |
|---|--------------|
| Ceiling (10 percent of \$247,914,452)..... | \$24,791,445 |
| Authorizations (local statutes)..... | 19,540,000 |
| Actual borrowings..... | 20,045,000 |
| Less bonds redeemed..... | 715,000 |
| Balance..... | 19,330,000 |

Total expenditures, excluding inter- and intra-fund transfers, for all funds connected with the operations of the government, amount to \$96,331,560, as follows:

| | Amount | Percent |
|------------------------------|--------------|---------|
| General fund..... | \$53,411,264 | 55.45 |
| Matching fund..... | 6,097,445 | 6.33 |
| Essential projects fund..... | 165,436 | .17 |
| Special and other funds..... | 36,657,415 | 38.05 |
| Total..... | 96,331,560 | 100.00 |

Total expenditures detailed by various departments and agencies of the government during fiscal year 1968, are as follows:

| | Amount | Percent |
|--|-------------------|---------------|
| Legislature, electoral boards, and municipal courts of the Virgin Islands..... | \$1,351,996 | 1.40 |
| Health..... | 13,526,604 | 14.04 |
| Education..... | 12,718,085 | 13.20 |
| Social welfare..... | 3,837,402 | 3.98 |
| Public safety..... | 3,770,906 | 3.91 |
| Public works..... | 13,912,853 | 14.44 |
| Agriculture..... | 1,690,622 | 1.76 |
| Labor..... | 422,060 | .44 |
| Housing and community renewal..... | 2,378,482 | 2.47 |
| Commerce..... | 2,811,858 | 2.92 |
| Conservation and cultural affairs..... | 1,671,662 | 1.74 |
| Executive and administrative Departments and agencies..... | 38,239,030 | 39.70 |
| Total..... | 96,331,560 | 100.00 |

NOTE: See appendix F for tables on:

Government operating revenues.

Government operating expenditures.

Comparative statement of revenues and receipts.

Comparative statement of expenses.

Comparative statement of operating revenues and loans.

Comparative statement of net expenditures.

OFFICE OF THE DIRECTOR OF THE BUDGET

Personnel: 17

Operating Appropriations: \$171,246

Expanding population and rapid economic development during the year ended June 30, 1969, created increased demands for public services. As a result, both revenues and government expenditures reached all-time highs in the Virgin Islands. Budgets of approximately \$73.5 million were projected for the year for general governmental operations and necessary capital improvements. Other vital capital projects were financed through interim bond anticipation notes.

For fiscal 1969, total revenues collected from taxes and other local sources amounted to \$56,117,511 an increase of slightly more than 20 percent over the previous fiscal year. But the cost of government matched the rising income. In addition, the Virgin Islands Government was forced to operate without the contribution from the Internal Revenue matching fund which had been approved for certain operational uses in previous budgets. A policy directive from the Department of Interior eliminated this income and the government absorbed \$4,900,000 in costs previously funded from this source.

In addition to the loss of matching funds for operational purposes, the government's new pay plan implemented in fiscal year 1969 added ap-

proximately \$5,200,000 in new salaries for regular budgeted positions.

These factors, combined with the increased cost of operations did not allow for the realization of any meaningful surplus at the end of the fiscal year. Furthermore, the combined effect of these factors made it mandatory that more rigid control be exercised over the release of appropriated funds.

Appropriations made from the general fund for fiscal 1969, including continuing or no-year appropriations amounted to \$60,617,329. These funds were for general governmental operations, operations of the College of the Virgin Islands, contributions to the retirement and pension funds, contributions to Federal aid programs, grants for educational purposes, research and other special projects, expenses of the legislature and the new pay plan for government employees.

Direct appropriations of \$12,627,870 were made from the Internal Revenue matching fund for capital improvements.

Total general fund allotments made to June 30, 1969, for operating expenses, special programs, and other purposes were \$56,965,326.

Following is a summary of estimated revenues, appropriations, and allotments for the fiscal year just ended:

| | |
|--|-------------------|
| Revenues and carried-over surplus: | |
| Surplus cash balance July 1, 1968..... | \$2,538,796 |
| Revenues collected..... | 56,117,511 |
| Total..... | <u>58,656,307</u> |

| | |
|---|-------------------|
| Appropriations: | |
| Operating and special appropriations..... | 54,400,131 |
| Appropriations available until expended (including prior year's appropriation)..... | 6,119,995 |
| Reappropriation of certain projects..... | 97,203 |
| Total appropriations..... | <u>60,617,329</u> |

| | |
|---------------------------------------|-------------------|
| Allotments: | |
| Allotments made to June 30, 1969..... | 56,965,326 |
| Unallotted appropriations.... | <u>3,652,003</u> |
| Total..... | <u>60,617,329</u> |

For fiscal 1970, the Governor's budget proposal called for \$56,634,563 for operations and special purposes, and \$13,500,000 for capital improvements. Again, these proposals were based on estimates of government receipts and Internal Revenue matching fund receipts but excluding contributions from matching funds for operational costs. All estimated matching fund receipts were allocated for capital improvements.

The budget passed by the legislature amounted to \$58,345,664. Largest share of the total, about 20.6 percent was budgeted for the Department of Education. Ranking second in share of the budget was the Department of Health scheduled to receive 19.7 percent, and third was Public Works with 16.8 percent.

Appropriations from the matching fund budget of \$12,734,895 included:

| | |
|---|-------------------|
| Payment of long-term and short-term debt..... | \$1,412,095 |
| Housing..... | 1,000,000 |
| Roads..... | 2,873,000 |
| Urban renewal..... | 100,000 |
| Construction of health centers.. | 5,000,000 |
| Road and construction equipment..... | 430,000 |
| Salt water and sewage systems. | 225,000 |
| Potable water systems..... | 362,000 |
| Acquisition and repairs: | |
| Government buildings and structures..... | 286,400 |
| Construction of classrooms. | 50,000 |
| Sewage improvements..... | 340,000 |
| Erection of agricultural buildings..... | 100,000 |
| Miscellaneous..... | 556,400 |
| Total..... | <u>12,734,895</u> |

Conservation Fund

A new source of funding for conservation, recreation, and culturally oriented projects became available in fiscal year 1969 as the result of statutory authorizations for the utilization of oil royalties paid into the local treasury under existing quota allocations. Receipts from this source are expected to amount to \$2.7 million annually, and are deposited into a special conservation fund. It is expected that the larger portion of this fund will be used to finance the acquisition of parklands and beachfronts; cultural and recreational programs; antipolution projects, and environmental planning and control.

As of June 30, 1969, a total of \$2,745,000 had been deposited into the conservation fund and appropriations totaling \$2,700,000 had been approved by the Legislature from this fund for the following purposes:

| | |
|--|------------------------|
| Outdoor recreation, including acquisition of land and beaches..... | \$1,250,000 |
| Development of historical sites..... | 100,000 |
| Beautification projects..... | 150,000 |
| Culturally oriented programs.. | 496,810 |
| Comprehensive design and planning of environmental resources and development.. | 550,000 |
| Miscellaneous projects con- sistent with statutory pro- visions for use of the fund... | 153,190 |
| Total..... | \$2,700,000 |

Like the Internal Revenue matching fund, expenditures from the conservation fund require the approval of the Secretary of the Interior. Secretarial approval was given for the expenditure of \$2,265,000 of the total \$2.7 million appropriations made by the legislature in the first operative year of this fund.

DEPARTMENT OF HOUSING AND COMMUNITY RENEWAL

Personnel: 56

Operating Appropriations: \$445,079

On June 30, 1969, the department reported more than 947 units of low-rent housing planned or under construction in the Virgin Islands. Despite significant advances since the department was created on June 18, 1962, housing is still a top-priority problem in the islands with many residents living in substandard dwellings because of the lack of new housing at reasonable rents or sales prices.

Emergency Housing Program

Under this program, 87 families were housed during fiscal 1969. Of this total, 49 families including 201 individuals were housed in St. Thomas, and 38 families with 131 family members were housed in St. Croix. At the end of the year, a cumulative total of 507 families were housed—249 in St. Thomas, and 258 in St. Croix.

During the 12-month period covered by this report, 1,225 applications for emergency housing were filed with 682 applications in St. Thomas and 543 in St. Croix. At year's end, 3,447 active applications were on file representing requests from families including more than 19,000 individuals. In St. Thomas, 1,910 applications were on file, and in St. Croix, 1,537.

Homestead and Home Loan Program

Seven important subprograms are included in this effort—homestead, home loan, Altona community develop-

ment, veteran loan and land, cistern loan, moderate income housing, and Altona and emergency housing.

Under the homestead program, a total of 18 parcels were allocated throughout the Virgin Islands during the fiscal year. The selling price of these parcels amounted to \$8,446. A total of 47 deeds were issued throughout the various homestead areas. The sales value of the land amounted to \$28,108.40. During the period, 12 waivers were approved, granting the owners of homestead land permission to offer their properties as security for loans in order to construct homes on their properties. At the close of the fiscal year, there were 921 applications on file for homestead land distributed as follows: St. Thomas, 530; St. Croix, 338; St. John, 53.

During fiscal 1969 the home loan fund was increased by an appropriation of \$50,000. With this amount and other funds received from the repayment of loans, interest income, and the sale of homestead land, 21 loans were granted totaling \$207,000. There are now 17 applications on file for home construction and improvement loans totaling \$145,750.

One loan was granted for the construction of cisterns under this program, for the maximum \$1,000 permissible by law. Three loans were repaid in full and the mortgages canceled during the year. There were six loans granted from the veteran hous-

ing fund during this reporting period, each for the maximum of \$5,000 permissible, and 12 applications are pending for a total of \$60,000.

All of the houses in the Altona community development except one were allocated prior to the beginning of this reporting period and purchasers are making payments towards the purchase price. They have 20 years from the date of the purchase contract in which to complete payment of the purchase price and to receive title to the property.

Sale of Emergency Housing—Single Family Units

Act No. 986 provides for the sale of single family emergency housing units to tenants who occupied a particular unit for a period of 1 year or more. A total of 35 deeds were issued and secured by mortgages on these properties.

Community Development Programs

During the fiscal year, great progress was made in community development programs. On August 8, 1968, the Government of the Virgin Islands borrowed \$2 million from the reserves of the Government Employees' Retirement System pursuant to act No. 1927. This money was deposited into the moderate income housing revolving fund and was used to complete or to help finance 495 homes in three developments.

At Estate Nadir, St. Thomas, 79 individual three-bedroom units were completed in March 1969, and were occupied during the month of April. Estate Bordeaux, St. Thomas, will consist of 100 individual three-bedroom units. Ground was broken in October 1968, and the units are scheduled for completion by March 1970.

The third is Estate Sion Farm, St. Croix, and consists of 316 individual three-bedroom units upon land which

is being purchased from the U.S. Government. Eighty-six of these units were completed and 46 were occupied by the end of the fiscal year. The scheduled completion date of this project is October 4, 1969.

Thirty-one units were completed, Estate Contant, St. Thomas, by June 30 and the Department of Public Works is presently installing sewer mains and making house connections so these units may be occupied within the very near future. There are 62 units comprising this development, 31 of which are now occupied.

Pursuant to the provisions of the rent control law, formal inspections were made of the properties involved in the 112 petitions. Below is a table showing by comparison the work of the rent control agency during fiscal years 1965 through 1969.

An overall plan for the Demara-Honduras area in St. Thomas was prepared by the firm of McClintonck and Thun in which specific recommendations were made for the area. These will be discussed with the administration. For the developments at Estates Nadir, Bordeaux and Sion Farm, the Government has arranged for the mortgages to be taken over by the First National City Bank which will provide additional funds to finance other developments under construction and planning.

This department, recognizing that it will be necessary to acquire land in order to continue its housing development programs, recommended the passage of act No. 2347. Several parcels of land are being purchased on the islands of St. Thomas and St. Croix. A total of 167 acres at Estate Benders Bay and an additional 47 acres at Estate Dorothea are being purchased by the Government in St. Thomas. Negotiation was begun for the purchase of 150 acres of land at Estates Plessen and Mount Pleasant in St. Croix, and the

development of 1,700 additional housing units on these tracts of land is contemplated.

Rent Control Agency

During the fiscal year ending June 30, 1969, a total of 112 petitions were filed with the rent control agency. Fourteen of that number were filed in St. Croix while 98 were filed in St. Thomas. Of the 112 petitions, only four were filed by landlords who asked that maximum monthly rent ceilings be established for their properties. Two of the four petitions were filed by landlords in St. Croix, while the other two petitions were filed by landlords in St. Thomas.

| Fiscal year | Petition | Landlord | Tenant |
|-------------|----------|----------|--------|
| 1965..... | 76 | 20 | 36 |
| 1966..... | 38 | | 38 |
| 1967..... | 74 | 6 | 68 |
| 1968..... | 141 | 7 | 134 |
| 1969..... | 112 | 4 | 108 |

Workable Program for Community Improvement

During the months of May and June, the staff of the Department of Housing and Community Renewal was busy preparing the workable program to be submitted to the Department of Housing and Urban Development for recertification. The present certificate expires on July 1, 1969.

Housing Code Enforcement

During fiscal year 1969, housing code enforcement activities increased. Inspections were completed on 633 structures, almost twice as many as were done last year. The number of units involved was 1,194. Of the 633 structures inspected, 402 did not meet the minimum requirement of the law with respect to health and sanitation, light and ventilation or space per occupant.

The 402 noncomplying structures comprised 565 living units. As a result of housing code activity, 106 units were repaired.

This program can be an important urban renewal device, even though it has limitations. It does not solve the problem of poor physical development for example, but it can produce cleaner, safer, and generally more wholesome housing without the large expenditure of money, or time, and the social disruption that accompanies other types of renewal action.

The basic law as it now exists needs to be reviewed carefully with an eye toward making it more nearly workable.

Virgin Islands Housing Authority

Federal funds approved for four projects in various stages of development amounted to \$23,133,884 at the end of the fiscal year. Eight projects were under construction or on the planning board at year's end and the eight included a total of 1,503 units.

The project at Lindberg Bay, St. Thomas, was under construction and moving on schedule. This project consists of 138 units and work started in September 1967. A total of 48 three-bedroom units had been occupied by June 30, 1969. Berg Homes, also on St. Thomas, was started in January 1968, and all 24 units were completed and occupied during fiscal 1969. Ground for the Congregare homes for the elderly was broken in October 1968 and was proceeding ahead of schedule as the fiscal year ended. This project will provide 85 units for senior citizens.

On St. Croix, the 100-unit Kingshill project was also ahead of schedule and it was expected that occupancy could start by August 15, 1969. Also in St. Croix, Estate Mon Bijou which will include 256 homes was under construction with the first 25 units ready for

occupancy by the end of the fiscal period. A second block of 25 units was to be available by the end of July, and 25 additional homes were expected to be completed each 6 weeks thereafter.

Two projects in Estate Tutu, St. Thomas, progressed. One is a turnkey project of 300 individual houses, and contracts for sale of all units have been signed. Construction is underway and the first 25 units will be ready for occupancy in August 1969. The second Estate Tutu project is a 400-apartment project for which preliminary drawings are now being made.

Estate Williams Delight will be the site of a turnkey project of 300 individual homes and final drawings will be submitted early in fiscal 1970 with construction to start soon after this.

The authority currently manages 12 projects, five in St. Thomas, four in Christiansted and three in Fredericksted containing a total of 1,516 units. During the fiscal year, 622 applications for low-rent public housing were received in St. Thomas, and 640 in St. Croix, bringing the file of active applications to a total of 2,151. The fiscal year saw 202 families admitted to authority projects, 68 in St. Thomas and 134 in St. Croix.

Program reservations for 600 units in St. Croix and 600 units in St. Thomas were approved by the Housing Assistance Administration. Invitations for proposals for the construction of these units were sent out during the month of May and received in June from 13 developers in the Virgin Islands and continental United States. The board of commissioners will make awards in July.

The modernization of Paul M. Pearson Gardens, Ludvig E. Harrigan Court, and D. Hamilton Jackson Terrace has started. The prime purpose of the modernization program is to make the projects more pleasant places in

which to live.

In February of 1969, the board of Commissioners of the Authority amended the agency's occupancy policy to permit alien residents in the Virgin Islands to apply for accommodations in public housing projects. As of June 30 there were approximately 750 such applications on file with the housing authority for both islands.

Virgin Islands Urban Renewal Board

For the fiscal year ended June 30, 1969, the board continued to administer four projects in the execution stage, Barracks Yard, Water Gut, Lagoon Street and Taarneberg-Ross, and one in the survey and planning stage, Hill Street.

Barracks Yard is a combined rehabilitation and clearance project. All land was cleared, the rehabilitation of all of the substantial structures was completed, and the required relocation of all families, individuals and businesses was accomplished by the end of the fiscal period. Total value of rehabilitation work completed was \$333,000, the value of reconstruction accomplished was \$240,000, and there remained only one substandard structure to be reconstructed at an estimated cost of \$65,000.

The sale of one of the parcels of land designated for "public use" was completed to the United States of America for use as a Federal office building. The other parcel so designated is to be acquired by the local government for the construction of the local government center, and a letter of commitment for such purpose has been received by the board.

The determination of the final awards for the acquisition of the properties has been delayed since the third circuit court of appeals reversed the original awards of the district court of

the Virgin Islands. At a pretrial conference in May of 1969, a new trial before new commissioners was ordered. An amendatory loan and grant contract was prepared and approved for the project, to adjust the financing plan and to move the date of closing up to December 1970.

Water Gut is also a combined rehabilitation and clearance project with about 25 percent of the total land area scheduled to be cleared for redevelopment, and the remaining 75 percent with some 57 substandard structures to be rehabilitated. At the close of fiscal 1969, the Water Gut project was still in operation under the revised plan approved in 1964. However, a new revised plan has been prepared by the firm of McClintock and Thun, readjusting the land uses, eliminating the waterfront highway and changing some of the street patterns. The original proposal for a 114-unit middle-income housing development remains in the plan. To finance the construction of this proposed middle-income housing, the board has been successful in obtaining a conditional commitment from FHA in the amount of \$2,693,500.

The plans for it are in final preparation, also by the firm of McClintock and Thun, and at the close of the period, the board and its agents were negotiating to secure a building contractor for construction to begin before the end of this calendar year.

Special emphasis has been given to the rehabilitation program, in an effort to reduce the workload as quickly as possible and to determine the disposition of those properties which have remained substandard because owners are unwilling or unable to comply with the rehabilitation requirements of the plan.

A revised plan for the Lagoon Street project, eliminating Custom House Street and the existing plot subdivision, and providing for the construction of

a 60 unit middle income program of FHA and a private supplementary shopping and office center, was prepared by McClintock and Thun and approved by the legislature in March 1969. Kramer and Kramer, architects of St. Thomas, designed this housing development. The board has secured a conditional commitment of \$1,600,000 from FHA and requests for proposals have been sent out to prospective bidders.

Taarneberg-Ross is mainly a clearance project with a small percentage of existing structures recommended for rehabilitation. The emphasis is to be on the development of small homes to be privately owned. The application for a loan and grant was signed in February 1969 with a capital grant reservation of \$1,658,200.

Early in March 1969, a project office was established in the heart of the project area to promote communication between the urban renewal board and the site occupants. The records show that 55 percent of these occupants have already visited the office seeking information relative to the development of the project. The task of relocating families and individuals began early in the period. As of this report, 19 families and two individuals have already been relocated to standard housing. One hundred and three families, 12 individuals, and six businesses remain to be moved. Project area committee meetings have been held regularly each month for the past year and have been valuable in promoting an exchange of opinion on the project.

The Hill Street project in Frederiksted, St. Croix, consists of 5.66 acres of land. This is a new project and is presently in the survey and planning stage. The firm of Vilican-Leman is preparing Part I, Application for Loan and Grant, which will be filed with the Federal Government no later than September 1969.

In addition to the project activities outlined above, there were three new areas considered for urban renewal treatment during the past fiscal year. The firm of Reed, Torres, Beauchamp

and Marvel of Puerto Rico are preparing the survey and planning application for the Ross Yard and Altona-Demerara areas in St. Thomas and Gallows Bay area in St. Croix.

DEPARTMENT OF PROPERTY AND PROCUREMENT

Personnel: 115

Operating Appropriation: \$956,782

The administration and general supervision of the department's activities are handled through the office of the commissioner, which is also responsible for the central direction of personnel, budget, finance, and tax appeals.

The Virgin Islands board of tax review handled 920 appeals, only 50 percent of the number reviewed in fiscal 1968. There were 546 from St. Thomas, 307 from St. Croix, and 67 from St. John.

Total allotments for all activities of the department amounted to \$921,490. Operating expenses were \$867,168. These figures do not include amounts entrusted to the department for other departments and agencies.

The amounts allotted to the equipment accounts for the various departments and agencies totaled \$1,037,565. There were approximately 1,277 requisitions issued during the fiscal year against these accounts, totaling \$785,644.

Totaling expenditures from the accounts for outside departments and agencies of the government for advertising and promotion were almost \$188,000, an increase of approximately \$23,000 over fiscal year 1968.

Payments made for rented office space for the various departments amounted to \$407,648. This amount represents only the portion of rentals paid from territorial funds. It does not include rentals paid from Federal grants.

Division of Accounting

A division of accounting was created at the beginning of the fiscal year to handle accounting for the Department of Property and Procurement as well as for the other departments whose accounting was previously handled by the office of the commissioner.

The division of accounting is also responsible for payments for office space, equipment, and advertising and promotion for the various departments and agencies of the Government of the Virgin Islands.

Division of Procurement and Supply

During fiscal year 1968-69, 13,597 purchase orders were issued with a dollar value of \$8,665,262. Of these, supply contracts amounted to \$3,129,743. Construction contracts amounted to \$1,895,113, professional contracts amounted to \$33,702, and miscellaneous contracts totaled \$617,931.

Purchases made under existing contracts of the general services administration totaled \$778,853. Direct open market purchases amount to \$2,209,-917.

The number of purchase orders issued does not cover requisitions for the over-the-counter purchases under \$100, nor do they include requisitions issued against term contracts starting July 1, 1968.

The largest contract awarded during the fiscal year was to Burnup and Sims, Inc., in the amount of \$430,999, for an

addition to the Tutu School in St. Thomas.

Bids were invited for the construction of health centers on the Islands of St. Thomas and St. Croix. One responsive bid was received and later rejected. As of June 30, 1969, there was no final determination as to a future course of action on this project.

Division of Property, Weights and Measures

During the fiscal year, several parcels of land were acquired, including 50 acres at Estate Concordia, at a cost of \$375,000; the remainder of Sion Farm, from the General Services Administration, for \$380,000; parcel No. 20, Estate Dorothea, for \$423,487; and 165.9 acres at Estate Nazareth for \$1,083,000.

Property inventories conducted throughout the departments show that the dollar value of government personal property as of June 30, 1969, totaled \$8,071,795. The value of real property was \$46,350,790.

In periodic inspections of weighing and measuring devices conducted by the weights and measures section, several violations were detected and orders issued to correct them.

Division of Transportation

One hundred twenty-four vehicles were assigned to the division of transportation during fiscal year 1969. In addition, 32 vehicles of GSA, U.S. Comptroller's office, and U.S. Immig-

gration and Naturalization Service are serviced and repaired by the division.

In addition to responsibility for furnishing the departments and agencies with regular daily transportation, the division provided transportation for large numbers of dignitaries during such events as the National Association of Attorneys' general conference, Pan American and Eastern Airlines inaugural flights, a Caribbean training mission for NATO forces, and the Senior Seminar on Foreign Policy.

Surplus Property

The value of surplus property received during fiscal 1969 was \$129,074. Of this amount, \$67,538 covered vehicles received from the General Services Administration for the Department of Health, Aedes Aegypti program.

The amount of property received as a result of the division's Puerto Rico operations totaled only \$61,536, while operating expenses exceeded \$33,000. Due to the sharp decline in the amounts of property received from military installations in Puerto Rico during the last 2 years mainly as a result of the closing down of one of the largest bases, the department recommended to the Governor that no funds be requested for its operation after the 1969 fiscal year. The office was closed on June 30, 1969.

The Puerto Rico State Agency for Surplus Property has verbally offered their assistance in obtaining surplus property, and the division intends to take advantage of this offer.

DEPARTMENT OF LAW

Personnel: 35

Operating Appropriation: \$500,399

The Department of Law represented the government in a number of cases involving significant issues including the extent of legislative powers, administration of the industrial incentive program, and the interpretation of tax laws. One of the more important matters was a petition for redetermination of an income tax deficiency filed by the Chicago Bridge and Iron Co. This related to the application of the Western Hemisphere Trading Corp. subsidy provisions of the Internal Revenue Code to Chicago Bridge and Iron's income tax liability to the Virgin Islands Government.

The case placed in sharp focus the "mirror theory," which was applied when the United States Congress created the Virgin Islands as a separate and distinct taxing jurisdiction, even though the provisions of the Internal Revenue Code are applicable to the Virgin Islands.

Since the decision in *Virgo v. Paiewonsky et al.*, the government has attempted to implement the "need" test. This requires that applicants for tax exemption must justify tax benefits not solely in terms of additional profits but also in terms of reduced prices, increased wages, financing and development of similar undertakings in other areas, or other benefits to the economy of the Virgin Islands.

To this end, comprehensive rules and regulations are, for the first time, being drafted by the industrial incentive board to set the standards necessary to

grant partial benefits as provided in 33 V.I.C., secs. 4061, 4071.

In its efforts to collect a judgment of more than \$1 million against the estate of Van B. Hooper, the office of the attorney general is prosecuting an appeal in the United States Court of Appeals for the Third Circuit. Previously, the District Court denied the application of the government for permission to institute a lawsuit against the Ideals Publishing Co. of Milwaukee, Wis., for the purpose of setting aside the issuance of preferred stock in a manner so as to dilute the value of the common stock, 5,600 shares of which constitute the sole asset of the estate of Van B. Hooper.

The State of New York is now the prime holdout in reciprocal cases involving arrearages (i.e., Virgin Islands courts award arrearages for petitioners in New York but not so in reverse). However, the Attorney General of New York has assured the department that an investigation of this situation will be initiated.

As chief law enforcement officer of the territory, the attorney general participated in various commissions on the problems of law enforcement and the growth of crime. As chairman of the Governor's special commission on law enforcement, advisor to the legislature's crime committee, and a member of the task force of the commission on human resources, the attorney general helped coordinate the efforts of these groups in investigating the causes and extent

of crime in the Virgin Islands, and in setting up recommendations for preventive and correctional measures.

The continuing increase in governmental activities was reflected in the number of items such as contracts, leases, deeds, requests for opinions, and regulations prepared by the department.

Over 500 legislative items were prepared or reviewed and close to 10,000 matters handled in the municipal courts. Twenty cases were prepared for trial in the district court, divisions of St. Thomas and St. John, and five in the St. Croix division. Claims for tort damages of not more than \$1,000

each against the government were administratively processed, as were more than 1,000 delinquent workmen's compensation insurance payment accounts, unemployment insurance premium accounts, hospital bills, and rent and eviction cases.

Members of the staff participated in the conference of the Association of Labor Mediation Agencies, handled negotiations with the Federation of Teachers on behalf of the Department of Education, acted as coordinators in expediting the completion of work on the Wayne Aspinall School in St. Thomas and the Central High School in St. Croix.

DEPARTMENT OF PUBLIC SAFETY

Personnel: 537

Operating Appropriation: \$3,674,585

The Department of Public Safety continued to emphasize recruit and in-service training programs, increasing both the number and scope. Experienced men were added to the staff to assist in providing knowledge and sound practices for improved law enforcement and security of life and property in the Virgin Islands.

The number of personnel authorized for this department was increased from 420 to 537, and the operating budget was increased from \$2,544,073 to \$3,674,585.

The report from the International Association of Chiefs of Police was received in December 1968. This report made a critical evaluation of the department and made recommendations for better administration and operations. The Department of Public Safety and other agencies of the Virgin Islands Government are now studying this report and will implement as many of the recommendations as are feasible and possible.

The division of community relations celebrated its first anniversary with a Police-Community Relations Week during March 16-22, 1969. The event was successful and there will be extensive preparation and production for Police-Community Relations Week in 1970. During the year, this division also conducted several programs to foster a favorable relationship between the police and the public. In addition, this division attempted to bring to the attention of the public the work being

done by the fire and marshal divisions of the department.

The program of the Police Athletic League has been expanded to include creative as well as recreational activities. In addition to softball, the girls are learning to sew and cook. A suitable site is now being sought for a PAL center on St. Thomas.

The two ministerial associations in the Virgin Islands—at the request of the Commissioner of Public Safety—designated two clergymen to serve as chaplains for the personnel of the department on St. Thomas and St. Croix. In addition, the chaplains serve as coordinators of the religious activities at the prisons.

A rescue squad was created and equipped and now provides such services as recovery of cars from the sea, rescuing of persons from wrecked cars, artificial respiration, mouth-to-mouth resuscitation, etc.

The Police Cadet Corps was inaugurated in July 1968. Its program calls for 3 years of cadet training leading to members becoming a part of the regular police force.

Two patrolwomen were classified as juvenile officers and assigned to the newly established Juvenile Bureau. The need for such a bureau was underlined by the sharp increase in cases involving juveniles.

A field operations unit was created within the uniformed division of the police force. This unit will study the modus operandi of criminal actions and

deploy personnel to detect the perpetrators of said crimes. This unit also assigns the personnel to make the police visible, serving as a deterrent to criminal activity.

An identification unit was established on St. Croix, within the Bureau of Investigation. The sharp increase in the number of persons requiring concrete proof of their identity and the requests from other sources for information relative to the identity of certain individuals led to establishment of this unit.

A detective patrol was also set up within the Bureau of Investigation. This patrol goes into high crime areas and works to decrease the crime rate there. The proven effectiveness of this calls for an increase in its size in the coming fiscal year.

An intelligence unit was established and is functioning very efficiently. This unit was necessitated by the advent of organized crime into the Virgin Islands.

Narcotics squads were established on the islands of St. Croix and St. Thomas since the use of narcotics and other dangerous drugs throughout the Nation is more acute today. However, the squads are working long hours to fight this problem, and over 30 arrests were made during the second half of the fiscal year, as compared with five arrests made during the previous fiscal year.

The large number of highway fatalities which marred the last fiscal year was reduced by 75 percent during fiscal year 1968-69. This dramatic decrease resulted from the expanded patrolling of the roads and highways by highway safety patrol units established on both St. Thomas and St. Croix.

Driver licenses are now in effect for 3 years and are renewable on the birthdate of the licensee. This law will help eliminate the problems encountered

each year at inspection and registration period.

Programs aimed at crime and fire prevention were presented over local television stations, and this activity will be given increased emphasis this fiscal year.

Several members of the department received further education in various areas of law enforcement and four training sessions conducted by the FBI were held on St. Croix and St. Thomas.

Business Inspection Office

This office was transferred from the Department of Public Safety to the Department of Finance effective July 1, 1968.

Patrol

A total of 9,303 cases was reported to the police headquarters. As a result of preliminary investigations conducted by this division, 1,178 persons were arrested and 1,596 complaints were filed in the court. Juvenile delinquency continues to be a problem for the department. There appears to be some difficulty in the interpretation of the curfew law as it is written in our code. On St. Croix alone, there were 135 juvenile cases.

Highway Safety

A total of 515 vehicles were reported stolen and about 240 of these vehicles were recovered. A special squad utilizing unmarked cars has been organized in an attempt to cope with this situation.

A total of 10,586 traffic summonses were issued, and 414 driver licenses were suspended by the court. There was a total of 3,728 automobile accidents during the year. Motorcycles are being assigned to accident-prone areas. See appendix H for table on number and type of criminal cases handled.

Bureau of Criminal Investigation

A total of 2,616 cases was handled by the bureau. A total of \$331,396.93 in stolen property was reported, of this amount \$67,268.09 was recovered.

Home Guards

The Home Guard was reorganized and personnel were screened to obtain men of the highest quality. Increasing demands for police services make the Home Guard a vital force for the Department of Public Safety. Several governmental agencies are requesting services which can best be provided by this organization.

School Guards

The school guards continue to protect schoolchildren. It has been recommended that the bus guards be placed under the jurisdiction of the Department of Education in order to effect closer supervision of their activities.

Fire Division

This division responded to a total of 298 fires during the fiscal year and property damage from fire amounted to \$521,707. There were a total of 31 false alarms. Expanded facilities for this division are on the drawing board—fire stations have been designated for the Tutu area in St. Thomas, and the Cotton Valley area in St. Croix. Additionally, the Christiansted fire station was moved to larger quarters, and, in the near future, Fredericksted will have a new fire station.

Richmond Penitentiary

Land has been designated for the construction of a new penitentiary, and it is hoped that ground-breaking ceremonies can be held in the very near future.

There are several programs which are being conducted at the penitentiary. Among them are programs in fishing, blockmaking, carpentry, auto

mechanics, ceramics, wood-carving, pottery, and landscaping. An educational program continues in which the inmates learn English, Spanish, French, and typing. In the recreational program, the inmates play music, basketball, baseball, and volleyball. Movies are shown twice a week. Religious services are held each Sunday and sometimes on other days during the week.

Parole Board

During fiscal year 1968-69 the parole board met twice. In the June 1969 meeting, 11 applications were considered and seven granted. In the December 1968 meeting, five applications were considered and four granted.

Office of the Marshal

The workload of this office has increased sharply, and more manpower is needed on both islands. During the fiscal period, more than 30,000 documents were handled. It has been recommended that this office be transferred to the Municipal Court.

Communications

There are a total of nine base stations and 62 mobile units for communication between headquarters and the motor vehicles on the streets. In addition, there are 14 call boxes located on St. Thomas.

A recent survey conducted by the IACP found our equipment to be inadequate and made several recommendations for improvements.

Training

The training division worked closely with the College of the Virgin Islands for the improvement of our police officers through the police science and administration program.

Recruit and in-service training were expanded and outside sources were employed to complement and supple-

ment the training provided by the personnel employed in this division.

This division gives instruction to all personnel of the department including policemen, prison guards, and the marshals.

Police and Fire Commission

Six hearings were conducted by the commission during the fiscal year.

NOTE: See appendix H for report of criminal cases handled.

MUNICIPAL COURT OF THE VIRGIN ISLANDS

Personnel: 43

Operating Appropriations: \$358,640

The two divisions of the municipal court—the division of St. Thomas and St. John and the division of St. Croix—operated with a total expenditure of \$341,773 for the fiscal year ended June 30, 1969. Number of cases handled by the court increased substantially, rising from 16,241 in fiscal 1968 to 19,378 for fiscal 1969.

Division of St. Thomas and St. John

This division disposed of 10,239 cases during the year ended June 30, 1969, as compared with a total of 8,473 for the previous period. During the year, the division received 490 applications for marriage licenses and 464 marriages reported.

The St. Thomas and St. John division collected a total of \$74,805.50 from court fines, notary fees, court costs and fees and other charges, an increase of more than 39 percent over the previous year. In addition, a total of \$130,851.59 was deposited with the court for disbursement in reciprocal and domestic support cases, representing an increase of more than 15 percent over

fiscal 1968. Cash bonds, executions and judgments deposited with the court decreased almost 19 percent from a total of \$166,856 in fiscal 1968, to \$135,624.03 for the year ended June 30, 1969.

Division of St. Croix

This division handled a total of 9,139 cases during fiscal 1968—an increase of 1,371 over the load for the previous fiscal year. The division processed 578 applications for marriage licenses and 545 marriages were reported.

Collections for the division increased approximately 25 percent, amounting to \$77,076 collected from court fines, notary fees, court costs and fees and other charges compared to \$61,409.50 for the previous fiscal year. In addition, the division collected a total of \$171,635.15 for disbursements in reciprocal and domestic support cases, approximately 17 percent above the total collected in the previous year. Cash bonds, executions, and judgments handled by the division amounted to \$248,876.69 compared to \$219,220 for the previous fiscal year.

OFFICE OF PROBATION AND PAROLE

Personnel: 8

Operating Appropriations: \$85,654.00

Since its establishment in 1958, the courts have relied increasingly upon assistance from the office of probation and parole. The office submits pre-sentence reports on individuals awaiting sentence, prepares reports on contempt matters pertaining to child support, supervises persons placed on probation and parole and, in general, assists the courts in whatever manner the judges deem necessary.

The office of probation and parole handled a total of 390 cases during the year ended June 30, 1969. Of this load, 295 were for the municipal court, 95 for the district court, 14 reports for other States, and 38 prepardo applications.

At the beginning of fiscal 1969, a total of 278 persons were under supervision. During the year, 242 cases were referred to the office for supervision and at the end of the year, the number was 419.

Along with increasing prosperity and population there has been an increase in the crime rate, and the office of

probation and parole is presently heavily burdened with requests from the five judges for information on individuals who appear before them.

Also contributing to this increased work load is the fact that the office of probation and parole is becoming better known to mainland agencies through its affiliation with the Interstate Compact Administration. It is handling increased requests for information on persons who, once having lived in the Virgin Islands, are now involved with the courts on the mainland or who, for rehabilitation purposes, are requesting permission to relocate in the Islands.

To alleviate the problem of heavier workload, the office expects during fiscal year 1969-70, to complete its recruitment program by hiring three more probation officers. Funds have already been requested and approved for this purpose.

During April and May 1969, the office secured and moved into new, larger quarters.

OFFICE OF CIVIL DEFENSE

Personnel: 5

Operating Appropriations: \$83,754

The prime responsibility of this office is the survival of the population in the face of disaster—either natural or nuclear. During fiscal 1969, work was completed on storing a supply of multi-purpose food sufficient to keep the population alive and healthy for a basic 3-month period. This food supply has a storage life of 5 to 10 years. The office also supervised purchase and storage of seeds and fishing gear.

The office also continued efforts to improve the islands' disaster warning system. The population explosion has brought movement of people to areas beyond the reach of the present siren system. Therefore, a survey was made of the warning capabilities by the Federal Sign and Signal Corp. of Blue Island, Ill.

Survey recommendations called for a modern system based on radio control. Cost of this system for all islands would be approximately \$75,000 and this office has asked the legislature to provide funds.

Also during the year, the office completed updating the territory's basic emergency operations plan, and the Area Public Works Office, Bureau of

Yards and Docks, U.S.N., Shelter Facilities Services completed an on-site inspection and remarking of licensed shelter facilities in St. Thomas.

The months of February, March, and May 1969, were marked by torrential rains and major flooding in population centers of St. Thomas and parts of St. Croix. These disasters caused severe hardships to our noncitizen work force. In St. Thomas, public schools were opened and families were fed. The Civil Defense organization and volunteers worked to house 211 persons and to serve 1,093 meals during the floods.

During the year, the office developed and published the "Survival Handbook," a 100 page document containing operations pertinent to survival in the event of emergencies.

Plans for modification of an Emergency Operations Center at Fort Christian, St. Thomas, were changed to answer objections raised by the National Park Service. These objections were based on preservation of the fort as a national historic site. The office expects the new plans to be adopted and work completed on this facility in fiscal 1970.

VIRGIN ISLANDS PLANNING BOARD

Personnel: 15

Operating Appropriations: \$231,393

The Virgin Islands Planning Board began the fiscal year with 20 employees of an authorized 23 and an operating appropriation of \$231,393. Six employees resigned during the fiscal year and two vacant positions were filled. At the end of the fiscal year, the staff of the planning board comprised 15 employees. Of this number, nine were clerical, drafting, or custodial personnel.

The Virgin Islands Planning Board, in the office of the Governor, is charged with the preparation of general plans for adoption, after public hearing, by the legislature as the basis for the development of the Virgin Islands. The planning board is also responsible for the adoption and the administration of approved zoning regulations and is authorized to provide planning assistance to any public agency or body of the Virgin Islands.

The board functions as an advisory body to the Governor, and is composed of 13 territorial citizens appointed by the Governor and confirmed by the legislature for staggered terms of office.

No significant changes occurred in the pattern of public hearings held during the fiscal year. At the 26 public hearings held during the year, a total of 262 items were handled. This represents an increase of 60 items, or 34 percent over the previous year.

From four to 14 items were heard at each of the monthly public hearings held at Government House, Christiansted, St. Croix.

On St. Thomas, from three to 17 items were heard at each of the

monthly public hearings held in the planning board office at the submarine base. At each public hearing, a wide variety of special exceptions was discussed.

At the two public hearings held at the Julius Sprauve School, Cruz Bay, St. John, six requests for special exception were heard.

Zoning Administration

During the fiscal year, a total of 278 applications for special exceptions or variances were received; 239 were processed by the staff of which 210 won board approval and 29 were rejected. Most of the significant approvals included apartments and condominium apartment units or hotel units.

Among the special exceptions approved in St. Thomas were 344 condominium apartments at Estate Anna's Retreat, 236 condominium hotel units at Estate Nazareth, 200 hotel rooms each at Estates Contant and Havensight, and 170 hotel rooms at Cowpet Bay. In St. Croix, 300 hotel rooms with an additional 150 hotel rooms in the future were approved for Estate Envy, and 200 hotel rooms for Estate Montpelier.

A significant approval to community facilities was that for the French Town Community Center in St. Thomas.

Subdivisions

Fiscal 1969 saw preliminary approval of 12 proposed subdivisions incorporating 365 lots or 240.5 acres and final approval of six subdivisions total-

ing 166 lots or 146.85 acres in St. Thomas. Major approvals on St. Croix included 74 proposed subdivisions of 1,505 lots or 697.2 acres. Final subdivisions 47; 875 lots or 425.23 acres. St. John subdivisions included, six preliminary, 170 lots or 136.95 acres. Major approvals included three subdivisions, 100 lots or 62.7 acres.

Action by the legislature in passage of bill 3970 paved the way for a major change in processing of subdivision plans. After February 11, 1969, developers were not required to get planning board approval of subdivision plans. Applications for preliminary plans or general subdivisions plans could be submitted directly to the planning director. The planning director was also empowered to act on final plans. Should he disapprove plans, the developer could, within 10 days, apply for a planning board hearing.

Zoning

Existing zoning is governed by an ordinance which is vague, loosely drawn, and which leads to indefensible decisions. To help create a workable zoning law, the planning board was awarded a grant by the Department of Housing and Urban Development. The project is expected to be completed by December 1969, and will consist of an analysis and evaluation of the existing ordinance.

Zoning Maps

A series of base maps has been completed based on maps received from the tax assessor's office and from the developers of final approved subdivisions, and the staff is currently engaged in the first detailed territory-wide land use survey to be undertaken in the Virgin Islands. In addition, the staff has worked closely with the consultant, Walter H. Blucher, of Arlington, Vt.,

who has produced four preliminary discussion papers. A proposal for a new zoning ordinance and a series of proposed zoning maps will be the major product to come from this work.

Historic Zone Legislation

Since the passage of act No. 2258, to provide for the conservation and preservation of historic and cultural assets of the Virgin Islands, by the local legislature, the planning board has been concerned with its implementation and enforcement.

Under provisions of this act, Government House and the wharf area of Christiansted, administered since 1952 as a national historic site, was designated and accepted as the "Christiansted Historic and Architectural Control District."

The first control district actually created under the act is the "Charlotte Amalie Historic and Architectural Control District." Within this area is reflected a certain character, as an environment, which constitutes a remarkable, vivid monument to the greatness of Charlotte Amalie as a trading port.

Over 300 violations have been identified within this area. A series of specifications which will facilitate the processing of applications is currently being prepared by the planning board staff. The owners of the properties involved will be notified when these specifications have been adopted as policy by the planning board. By law, any person formally notified of a violation shall be allowed a period of 30 days within which to comply with the order of the Commissioner of Public Works or the planning board.

Study of Urbanizing Area of Central St. Croix

The planning board, under a grant from the Federal Department of Hous-

ing and Urban Development, has completed a feasibility study on a planned urbanization of the central area of St. Croix.

Three work elements were completed by the staff. First, a land-use and valuation study; second, a general physiographic study; and third, a quality resource study, dealing with those natural and man-made features which add significantly to a particular area, such as historic remains, plant or wildlife preserves, and scenic views or spaces. Drawings and sketches accompanied each of these studies.

The planning board staff gathered much of the statistical and other material input which permitted the consultants, Nash-Vigier, Inc., of Cambridge, Mass., to complete its report, "Feasibility of a Central Urban Area on the Island of St. Croix, United States Virgin Islands," and technical supplement.

Crown Bay Fill Area Development

At its own initiative, the Virgin Islands Planning Board staff sought guidelines for the design of the road system in the Crown Bay Fill Industrial area, St. Thomas. Special attention was paid to the circulation within each parcel and to the relationships of the new highway to existing roads and area-wide traffic patterns.

The staff has recommended a limited-access divided four-lane highway. Access to the properties to the north of the new highway would be only from the existing Harwood Highway. Access to the properties to the south would be from a system of secondary roads meeting the primary road at only three points. Parking would be shielded from the highway by either buildings or plant screens.

Beautification of the Grounds of the Legislature Building

At the request of the Virgin Islands Legislature, the planning board staff prepared plans and specifications for improvement of the existing area of the legislature building to conform with the beautification program.

In stage I, the staff recommended paving and curbing a parking lot for 17 cars, widening the walkway to the north of the small office building leading to the rear entrance of the legislature building, improving steps, and landscaping.

In stage II, it recommended reworking the internal vehicular circulation, limiting parking in front to seven cars through the use of curbing and planting, removing the cistern to permit two new parking spaces in the rear, removing existing storage house to permit a new seven-car parking lot close to Veteran's Drive.

In stage III, 15 new parking spaces would be created by removing the existing boat house and filling to the existing dock. The existing pump house along Veteran's Drive would also be removed and a pedestrian walkway added.

School Site Plans

At the request of the Governor, the planning board reviewed plans for the expansion of the Nisky Elementary School, St. Thomas. The planning board, however, recommended incorporation of a 0.4-acre piece of land into the school property to provide more adequate recreation space and safer pedestrian circulation.

At the request of the Department of Education, the planning board staff conducted a site study for location of an elementary school at Altona-Welgunst, St. Thomas.

The topography of the site is suitable for the construction of a school.

The surrounding residential neighborhood would be compatible. In addition, after hours use of the recreational facilities included would help to fill a need for such facilities in the area. It is expected that many of the students could easily walk to this site from their homes.

At the request of the Department of Education, the planning board staff conducted a preliminary site study for the expansion of the Julius Sprauve Elementary School, in Cruz Bay, St. John. The staff recommended a two-story structure with shaded balcony areas and sunscreen plantings.

Recreation Areas

At the request of the Office of the Governor, plans were prepared for a recreational field and a community center at Estate Nadir, St. Thomas.

The recreation field would include a softball diamond, pedestrian areas with tot lots, passive sitting areas, planned walkways, toilet, and parking.

The community center would include a combined basketball and volleyball court, common room, games room (ping-pong, cards, etc.), open park and garden, tot lot, general play area, passive sitting area, parking and bus shelter.

USO Building Expansion

At the request of the Office of the Governor, the planning board staff de-

signed an expansion to the USO facility on the St. Thomas waterfront.

Conferences and Testimony

Meetings have taken place between the planning director and Lawrence Halprin Associates, consultants, regarding the master plan being undertaken by that firm. These meetings have taken place in the San Francisco area, at the home office of this firm, in San Juan, P.R., and Washington, D.C., in the offices of some Federal agencies.

The director has also met with regional officers of both the Department of Housing and Urban Development and the Department of Transportation in San Juan to discuss planning board participation in federally funded projects, respectively the 701 program and the Highway Transportation Act.

The planning director met with engineers of the Federal Aviation Authority and members of the Virgin Islands Airport and Industrial Resources Agency, in Miami, to discuss matters pertaining to the construction of new airport facilities in St. Thomas.

The director met with the Department of the Interior and the Bureau of Outdoor Recreation in Washington.

In addition, the planning director attended the annual conferences of the American Institute of Planners and of the National Planning Association.

The associate director and the senior planner attended the second annual meeting of the Caribbean Conservation Association in Port-of-Spain, Trinidad.

BUREAU OF STATISTICS AND ECONOMIC STUDIES

Personnel: 9

Operating Appropriations: \$71,482

The Bureau of Statistics and Economic Studies was established in 1967 and charged with three major responsibilities:

1. Make available data, statistics and analyses as requested by the Governor.
2. Recommend improvements in collecting, processing, and disseminating statistical information on Government departments and agencies.
3. Take surveys and census of labor force, housing, income, food prices, consumer (cost-of-living) prices, etc., and conduct studies necessary for an understanding of economic and social conditions in the Virgin Islands.

The three major, continuing statistical projects of the bureau are to develop information on food prices, labor force, employment, and domestic net income and gross product accounts.

Food Prices

A survey of food prices is taken quarterly. First quarter, 1968, findings have been reported, collection of data has been continued quarterly, and though tabulations and analysis have been delayed, it is expected that a quarterly series of food price data will soon be available.

The procedure used is the same as that used by the U.S. Bureau of Labor Statistics as part of its consumer price

index program on the mainland. In the Virgin Islands, 79 food items in five supermarkets, three in St. Thomas and two in St. Croix, are priced: The 79 items priced are identical with those priced on the mainland, thus permitting comparison of food prices in the Virgin Islands with those on the mainland.

Because various food items have a different importance in the consumption pattern of one community compared with another, differences in prices are more meaningfully revealed when the comparison is of a "food basket" consisting of items that typically meet consumption needs everywhere.

For the first quarter, comparison of mainland and Virgin Islands food costs shows the following:

| | Cost of food basket | Percent of U.S. average |
|---------------------|---------------------------|-------------------------------|
| Virgin Islands..... | \$49.27 | 125 |
| New York..... | 40.72 | 103 |
| Washington, D.C.... | 39.17 | 99 |
| U.S. Average..... | 39.50 | 100 |

Labor Force and Employment

Preliminary work on this project began 3 years ago. From the start, there have been difficulties in obtaining the information on individual employees necessary to the project—such infor-

mation as age, sex, citizen status, hourly wage rate, and number of hours worked per week. However, recent efforts promise more success.

The first attempt to obtain this information was a questionnaire mailed with the regular quarterly employer report form on employment and wages used by the employment security agency for the first quarter of 1968. However, only 50 percent of all known employers returned the form, and the information received does not constitute a useful sample for making estimates.

Another attempt to obtain the information will be made in the third quarter of 1969, under auspices of the Virgin Islands Department of Labor, which has the mandatory authority to request the needed information.

A new license application form for businesses has also been developed and is now being used that will supply additional needed information, and it is expected that this information will be available in usable form by the third quarter of 1969.

It has further been suggested that the Employment Security Agency and the Department of Labor contact by

personal visit all employers who fail to return the questionnaire.

National Accounts Estimates

This project, initiated 2 years ago, is being pursued under the guidance of an outside consultant whose fee is included in the bureau's appropriations by the islands legislature.

The preparation of a system of national accounts for the Virgin Islands first resulted in an estimate of net and gross domestic income for 1964. A similar estimate for 1965 has virtually been completed. Estimates of the national accounts will be extended to 1966 and 1967 by a shortcut method. These estimates must be considered tentative.

A start has been made in developing a product estimate for 1964 and 1965 to match the income estimates for those years. That is, the estimating procedure has been outlined, and the information required from the income tax returns has been transcribed along with the income data. This additional work is to go forward in fiscal 1970. It is anticipated that tabulations of gross national product will be forthcoming by December 1969.

OFFICE OF ECONOMIC OPPORTUNITY

Personnel: 2

Operating Appropriations: \$38,738

Total budget for the Virgin Islands Office of Economic Opportunity for fiscal 1969 was \$1,171,304 with \$931,930 of this amount coming from Federal funds and the balance, \$239,374, from local matching funds ap-

propriated by the Virgin Islands Legislature. Major projects, amounts budgeted, and the name of the local administering agency are shown in the following table:

| Program | Funding level | Local administering agency |
|---------------------------|------------------|--|
| Summer Head Start..... | \$60,849 | Department of Education. |
| Full Year Head Start..... | 483,774 | Department of Education. |
| Family Education..... | 334,378 | Catholic Social Center. |
| VISTA..... | 123,784 | Office of the Governor. |
| Administration..... | 54,871 | Office of the Governor. |
| Health Outreach..... | 62,000 | Department of Health. |
| Legal Services..... | 51,648 | V.I. Community Legal Services. |
| Total..... | 1,171,304 | |
| Federal share..... | 931,930 | |
| Local share..... | 239,374 | (Federal legislation requires a minimum 20 percent local share). |

The coordinator of the Economic Opportunity Program was also responsible for projects funded by the Economic Opportunity Act but not funded through the local OEO office. These included the Upward Bound project administered by the College of the Virgin Islands, the Out-of-School Neighborhood Youth Corps administered by the Virgin Islands Department of Health, the In-School Neighborhood Youth Corps administered by the Virgin Islands Department of Education, and the Title V (Work Incentive) program administered by the Virgin Islands Department of Social Welfare.

During fiscal 1970, it is expected that the OEO office will become responsible

for administering both the In- and Out-of-School Neighborhood Youth Corps projects.

There are six major functions of each part of the community action programs. They are: (1) Administration which includes coordinating all of the CAP projects with one another and the services of other agencies and providing planning, technical assistance, fiscal services, and evaluation to each project. (2) Family education which provides classes in family budgeting, cooking, sewing, carpentry, etc., to approximately 3,500 people. (3) Legal services, which deals with the civil legal problems of the poor and which will be in full operation in fiscal 1970. (4)

The VISTA program, carrying out regular CAP projects, plus a child-care program serving 260 youngsters. (5) Health Outreach, which is designed to improve health care through use of

mobile health units and through mass parasite screening and immunization campaigns. (6) Head Start which helps with educational, social and medical problems for children of preschool age.



Periodic health screening of children in the Head Start program is done by nurses from the Virgin Islands Department of Health.

VIRGIN ISLANDS COMMISSION ON YOUTH

Personnel: 3

Operating Appropriation: \$30,863

Fiscal 1969 was a year of continuing growth and progress for the Virgin Islands Commission on Youth, whose core memberships were comprised of the youth delegates of the Virgin Islands 1970 White House Conference Planning Committee.

A series of panels and discussions on lowering the voting age to 18 years, begun in 1968, was continued this year. As a result, the Virgin Islands Legislature petitioned Congress for the right to hold a referendum on this matter, and a bill to accomplish this was introduced in Congress.

Early in the year, members of the youth councils and other teenagers appeared before the legislature committee on crime and delinquency, providing them with first hand information on the needs and problems of youth and the reasons young people get into trouble.

Late in the year, after discussions with government officials, youth members of the White House Conference Planning Committee were assigned to various government and private commissions, committees, and associations. They served either as members or as youth consultants so that youth could have a knowledge of what is happening and a voice in these happenings.

Several new government programs were inaugurated this year for the youth of the Virgin Islands. As a direct result of action by the commission, the

public school system held summer schools, beginning in 1968, that will be continuing annually. The sessions enabled students to make up failed subjects without spending an additional year in school and to finish high school on an accelerated program if they wish.

Family life education in school, a program long recommended by the commission, will be inaugurated in 1970. Family planning clinics, another program recommended by the council, were initiated by the Department of Health during fiscal year 1969.

The problem of educating the children of alien parents was studied in depth by the commission. Following the commission's recommendation that the Virgin Islands should provide free compulsory education for all children residing in the islands, regardless of their citizenship status, a limited number of alien children were registered in January 1969.

One of the most serious problems facing the commission in recent years has been the problem of drug abuse by youth. To combat this, the commission and its committees organized and incorporated two citizens' action groups concerned with drug education.

Both groups, the St. Croix Drug Association and the St. Thomas Citizens for Drug Education, have provided many educational programs in schools, over radio and TV, and through newspaper articles, and are now in the

process of planning rehabilitation services for youths who use drugs.

The commission has been instrumental in inaugurating several summer recreational and educational programs. In the summer of 1968, the commission cooperated with church groups to present a program for children 5- to 13-years-old in Savan, and similar programs are planned for

Savan and Frederiksted, St. Croix, this year.

At the end of the 1969 fiscal year, the commission received approval and funds for its youth community conscious project, which will present a recreational-educational program on St. Thomas and St. Croix for youths between the ages of 14 and 17 who cannot find summer jobs.

DIVISION OF PERSONNEL

Personnel: 35

Operating Appropriation: \$280,376

As part of a long-range modernization of personnel management in the government, both legislative and administrative improvements were made during fiscal 1969.

The merit system was extended to cover positions which had been exempt and, for the first time, criteria were established by law as a basis for placing positions in the "career service" or in the "exempt service." This significant law was recommended by the Division of Personnel after an in-depth study of personnel management by a team of specialists and was approved on July 18, 1968.

On February 12, 1969, this act was further strengthened by the establishment of an exempt list. The basic law also provides for an escalating earning rate of annual leave to encourage employees to remain in service, an unlimited ceiling on accumulated sick leave which will reduce use of such leave at the end of each year and protect employees who do need extensive sick leave; extension of sick leave to certain temporary employees, leave for jury service and certain changes in veterans' preference.

Another major piece of legislation enacted this year provides for a modern position classification system which also sets up machinery for review, upon request of an affected employee, of the allocation of his position.

In addition, the legislature approved an act establishing the policy of equal pay for equal work and providing step

increases based on work performance and length of service. This same bill also covered pay differentials for night work and other special conditions; new appointment pay matters; overtime and holiday pay; compensatory time; pay periods; and allowances for uniforms.

A comprehensive employee training law approved during fiscal 1969 provides for training in the professional, supervisory and managerial levels and is now being implemented.

In addition, the division conducted intensive in-service training for its staff on employment, position classification, disciplinary action and other elements of personnel management.

The 12-month period was marked by revision of 12 examination series, the addition of 333 new position classes resulting from transfer of people to "career service," plus review of 320 class specifications which were more than 5 years old, and microfilming of all personnel files.

The legislature also approved act 2416 giving government employees the right of self-organization to form, join, participate in, or refrain from, any employee organization of their own choosing.

Retirement Administration

At the close of the fiscal year, approximately 6,300 active employees of the regular departments of government were members of the retirement system, plus an additional 1,150 who have been

separated from the service but have not withdrawn their contributions.

In addition, there are 438 active member employees of independent agencies including the College of the Virgin Islands, the Water & Power Authority, the Virgin Islands Housing Authority and the Virgin Islands Renewal Board. This means the system had approximately 7,900 membership accounts as of June 30, 1969.

During the year, 841 personal loans were processed to members amounting to \$298,650, and 20 mortgage loans were processed totaling \$177,500. In fiscal 1969, 34 persons retired on service retirement annuities, and two nonduty disability annuities and one duty-connected death annuity were processed. At the end of the year, 232 persons were receiving semimonthly annuities with a total annual value of \$351,648.24. The system also processed payments authorized by special pension

acts of the legislature and, at year's end, 161 persons were receiving such pensions with a total annual value of \$208,884.

Twenty-five lump-sum death benefit payments amounting to \$61,632.36 were made to beneficiaries of members who died while in service, and refunds of contributions were made to 388 separated employees amounting to \$133,374.79.

On August 8, 1968, the system made a loan of \$2 million to the Department of Housing to finance middle-income housing. This 10-year loan carries an interest rate of 5 percent. At the close of the fiscal year, investments exclusive of loans to members and other government agencies were:

| | |
|-------------------------------|-------------|
| U.S. Government bonds..... | \$4,085,000 |
| Corporate bonds..... | 965,000 |
| Time certificates of deposit, | |
| V.I. National Bank..... | 3,000,000 |
| Total..... | 8,050,000 |

SELECTIVE SERVICE

Personnel: 6 Compensated
31 Uncompensated

Operating Appropriation: \$48,782

In fiscal 1969, the Selective Service System began its second year's operation under provisions of the Military Selective Service Act of 1967. During the year, a public information program in the form of regular question-and-answer type press releases, advising the public of the up-to-date provisions of the law, was well received by both news media and the public.

For the first half year, the quota never exceeded 10 for any one month. For the second half year, the quota was double that of the first.

During the spring, there were, for the first time, verbal outbursts and public rallies critical of Selective Service. There was also some criticism of the military involvement of the United States in the Vietnam conflict. The number of registrants challenging the validity of classifications awarded by local boards, however, decreased slightly.

The basic responsibilities of the system are to register young men as they attain age 18, maintain current information and classification on all registrants within the age of liability, defer for education, essential employment, hardship or other reasons those found eligible, and select men for physical examination and induction to meet Virgin Islands quotas.

The total registration in the two local boards reached 10,481, covering registrations from 1948, an annual increase of 1,172 over the 9,309 recorded at the close of fiscal 1968. Over the last 5 years an increase has been the trend: 515 in 1965, 629 in 1966, 771 in 1967, and 1,094 in 1968.

The heavy registration of the last 2 years reflects the unusually large number of aliens admitted for permanent residence falling within the required registration ages.

Classification actions are made by two local boards composed of five uncompensated members each. Over 2,800 classifications or reclassifications were made based on current information. Class 1-A, available for military service, was the most active class as most men are initially placed in this class and subsequently removed and reclassified as they are physically examined, their employment or family status changed, or their educational programs altered.

Other classifications were notable as follows:

I-C Inducted decreased while I-C Enlisted increased, representing a lower rate of induction, while enlistments increased as a result of active recruiting by the Army.

I-S High School increased from 167 to 252, reflecting higher enrollments. College deferments maintain their high level.

II-A, essential employment, increased from 22 to 32, representing additional teachers' extended deferments.

III-A, hardship and dependency, increased from 545 to 611.

Classes IV-A, IV-F, and V-A saw substantial increases as more registrants completed active service, were found unacceptable or reached overage for current liability.

The Appeal Board for the Virgin Islands met four times during the year

to consider 10 appeals made by four Virgin Islands registrants, and six registrants registered outside the Virgin Islands but requesting local consideration of their current employment within the islands. Decisions in all cases were unanimous, precluding further Presidential appeal by any of the registrants.

Based on estimated quota and calls, registrants holding Class 1-A are selected, transportation furnished, and examinations made to build the necessary acceptable pool from which inductees may be called. Over the past

5 years, the acceptability rate has ranged between 27 percent and 59 percent. Despite reductions in mental standards implemented in fiscal year 1967, and further reduced in fiscal 1968, a barely satisfactory rate of acceptability was maintained. Of 465 registrants examined, 194 (or 42 percent) were found acceptable. The large number of resident aliens of low educational levels who were examined and found not qualified reduced the rate from the 47 percent found acceptable the previous year. A comparative table follows:

| | 1965 | | 1966 | | 1967 | | 1968 | | 1969 | |
|---------------------------------|----------|---------|----------|---------|----------|---------|----------|---------|----------|---------|
|  | Examined | Percent | Examined | Percent | Examined | Percent | Examined | Percent | Examined | Percent |
| Total..... | 378 | ----- | 642 | ----- | 428 | ----- | 691 | ----- | 465 | ----- |
| Accepted..... | 121 | 32 | 224 | 35 | 251 | 59 | 328 | 47 | 194 | 42 |
| Rejected..... | 257 | 68 | 418 | 65 | 177 | 41 | 363 | 53 | 271 | 58 |
| Mental..... | 218 | 58 | 355 | 55 | 143 | 33 | 309 | 45 | 210 | 45 |
| Physical..... | 21 | 5 | 44 | 7 | 18 | 4 | 37 | 5 | 30 | 6 |
| Combination and/or other.... | 18 | 5 | 19 | 5 | 16 | 4 | 17 | 3 | 31 | 7 |

The year's total induction quota was 135, and for the second time in 2 years, the islands failed to meet their quota, with only 127 inductions. Ten of the inductees were volunteers entering the Army of the United States. Additionally, 139 registrants enlisted directly into the various branches of service, compared with 101 last year, for a total input of 266, compared with 267 separations reported by all services.

One factor in failure to meet the quota is the provision that a registrant, although having been ordered for induction, is permitted to enlist in the service of his choice up to the date set for his induction.

With an active Army recruiter stationed in the Virgin Islands, many registrants choose to enlist for 3 to 4 years of service, and specialize in an

assignment of their choice, rather than take a shorter 2-year induction period with no choice of assignment.

Many registrants enlist just before their induction date, allowing no time for local boards to schedule additional inductees. However, this procedure ultimately serves to the advantage of the Armed Forces by increasing the length of service and usefulness of any one enlistee.

Registrants separated from less than 6 years of active military service are screened to the Standby Reserve to complete their military obligation. These reservists are recallable in time of war or national emergency as determined by local boards. Of the 149 currently listed, 57 have been identified as "available."

OFFICE OF THE SUPERVISOR OF ELECTIONS

Personnel: 14

Operating Appropriation: \$140,875

During fiscal 1969, the Office of Supervisor of Elections conducted a primary election on September 10, 1968, and a general election on November 5, 1968.

For the first time, the boards of education and election were elected by the electors of the Virgin Islands. Previously, the members of these boards have been appointed by the Governor of the Virgin Islands and/or the legislature.

There were 16,840 voters eligible to vote at the general election of November 5, of which 12,622, or 75 percent

voted. The results of the election showed that the political body, "The Independent Citizens Movement," had become a recognized political party in the Virgin Islands, based on the fact that at least one of its at-large candidates had polled more than 5 percent of the total number of votes cast in the territory.

This means that there are now three recognized political parties in the Virgin Islands: the Democratic Party of the Virgin Islands, the Republican Party of the Virgin Islands, and the Independent Citizens Movement.

CONCLUSION

As the Government of the Virgin Islands moved ahead, into fiscal 1970, it also began its last full fiscal year under an appointed Governor—and into an era of greater autonomy. In the closing months of fiscal 1968, the United States Congress approved the elective governor bill and made significant changes in the Virgin Islands Organic Act, paving the way for true self-government.

In its 51 years as a territory, the citizens of the Virgin Islands have created a land of economic prosperity, progressive educational, health, housing, and social service traditions and a society dedicated to equal opportunities for all. The people have wisely promoted their number one industry—

tourism—and have successfully competed with all the world's resorts which are now within easy reach of jet-propelled travelers. But business and industry have also been emphasized to give diversification to the island's economy.

Today, the Government of the Virgin Islands serves an economically sound community and looks forward to even greater advances in these major areas—social and cultural advancement for everyone, increasing prosperity for its citizens, and conservation of its great natural resources.

Dedication to these goals and successful experience in enlightened government make the new era of genuine self-government a bright prospect.

APPENDIX A

TOTAL ASSESSMENT AND TAXES, ST. THOMAS, ST. CROIX, ST. JOHN, 1964-68

| Year | Bills issued | Assessments | Taxes | Number of exemptions | Amount of exemptions | Farmland exemption | Taxes |
|-----------|--------------|-------------|----------------|----------------------|----------------------|--------------------|----------------|
| 1964..... | 13,722 | 83,394,239 | \$1,042,427.99 | 2,687 | \$79,430.39 | ----- | \$962,997.60 |
| 1965..... | 15,120 | 158,880,727 | 1,986,009.00 | 3,062 | 155,590.57 | ----- | 1,830,418.52 |
| 1966..... | 16,783 | 192,820,503 | 2,410,256.29 | 4,719 | 200,000.00 | ----- | 2,210,256.29 |
| 1967..... | 18,060 | 197,520,965 | 2,469,012.06 | 5,000 | 220,199.35 | ----- | 2,252,403.80 |
| 1968..... | 19,824 | 247,914,452 | 3,098,930.65 | 5,340 | 241,661.34 | 79,097.37 | 1,2,778,171.92 |

¹ Night soil charges not included.

DETAILED CHART OF ASSESSMENTS AND TAXES INCLUDING HOMESTEAD EXEMPTION

| | Island | Number of bills issued | Assessments | Taxes |
|-------------------|--------|------------------------|--------------|--------------|
| <i>St. Thomas</i> | | | | |
| 1964..... | | 6,760 | \$40,163,098 | \$502,038.73 |
| 1965..... | | 7,157 | 75,529,769 | 944,122.11 |
| 1966..... | | 8,140 | 82,634,196 | 1,032,927.45 |
| 1967..... | | 8,694 | 86,527,623 | 1,081,595.29 |
| 1968..... | | 9,363 | 103,821,342 | 1,297,766.78 |
| <i>St. Croix</i> | | | | |
| 1964..... | | 6,191 | 40,890,229 | 511,127.86 |
| 1965..... | | 7,120 | 80,474,180 | 1,065,927.29 |
| 1966..... | | 7,612 | 99,351,323 | 1,241,891.64 |
| 1967..... | | 8,242 | 104,867,100 | 1,310,838.76 |
| 1968..... | | 9,257 | 137,668,878 | 1,720,860.98 |
| <i>St. John</i> | | | | |
| 1964..... | | 771 | 2,340,912 | 29,261.40 |
| 1965..... | | 843 | 2,876,778 | 35,959.72 |
| 1966..... | | 1,031 | 5,888,765 | 72,984.56 |
| 1967..... | | 1,124 | 6,126,242 | 86,578.03 |
| 1968..... | | 1,204 | 6,424,232 | 80,302.90 |

COMPARATIVE ANALYSIS OF FEES COLLECTED FOR INSURANCE ACTIVITIES, FISCAL YEARS 1965 TO 1969

| | 1965 | 1966 | 1967 | 1968 | 1969 |
|-------------------------------------|------------|------------|------------|------------|------------|
| Certificates of authority..... | \$3,412.50 | \$3,375.00 | \$3,750.00 | \$4,050.00 | \$4,462.50 |
| Agents licenses..... | 3,047.50 | 4,943.68 | 4,805.00 | 5,246.17 | 1,765.00 |
| Brokers licenses..... | 100.00 | 200.00 | 400.00 | 800.00 | 1,200.00 |
| Solicitors licenses..... | 1,117.52 | 1,050.00 | 1,779.96 | 2,212.50 | 1,921.87 |
| Nonresident agents and brokers..... | | | | | 4,000.00 |
| Adjusters licenses..... | | | | | 120.00 |
| Surplus line brokers..... | | | | | 100.00 |
| Gross premium taxes..... | 24,892.43 | 32,929.54 | 40,612.24 | 50,616.20 | 140,080.05 |
| Filing annual statements..... | 190.00 | 212.50 | 225.00 | 240.00 | 257.50 |
| Filing powers of attorney..... | 70.00 | 90.00 | 55.00 | 85.00 | 60.00 |
| Sale of insurance booklets..... | 28.00 | 53.00 | 34.00 | 35.00 | 83.00 |
| Examination fees..... | | | | | 60.00 |
| Total..... | 32,857.95 | 42,903.72 | 51,661.20 | 63,284.87 | 152,109.92 |

¹ These figures reflect the reduced renewal fees resulting from the enactment of the new Insurance Code.

| | 1965 | 1966 | 1967 | 1968 | 1969 |
|---|-----------|-----------|-----------|-----------|-----------|
| Rum produced in the Virgin Islands: | | | | | |
| Brugal & Company..... | | | 39,600 | 54,054 | 37,611 |
| West Indies Distillers, Ltd..... | 327,072 | 180,102 | 416,361 | 333,525 | 493,995 |
| Virgin Islands Rum Industries, Ltd..... | 878,917 | 980,065 | 1,155,637 | 1,151,346 | 1,483,967 |
| Total proof gallons ¹ | 1,205,989 | 1,160,167 | 1,611,598 | 1,538,925 | 2,015,573 |
| Alcoholic beverages exported to the United States: | | | | | |
| Rum..... | 1,230,257 | 1,099,928 | 1,359,817 | 1,367,856 | 1,539,018 |
| Whiskey..... | 2,160 | | | | |
| Cordials, Liquors, Etc..... | 17,796 | 3,204 | 500 | 2,046 | 6,222 |
| Total proof gallons..... | 1,250,213 | 1,103,132 | 1,364,817 | 1,369,902 | 1,545,240 |
| Denatured alcohol produced (wine gallons):² Virgin Islands Rum Industries, Ltd..... | | | | | |
| | 3,018 | 5,895 | 4,900 | 3,622 | 632 |
| Denatured alcohol used in the manufacture of perfume, bay rum, and toilet water, etc.: | | | | | |
| West Indies Bay Co..... | 13,894 | 17,920 | 23,870 | 5,095 | 2,405 |
| Virgin Islands Bay Rum Manufacturing Co..... | 3,019 | 5,720 | 4,900 | 3,622 | 1,933 |
| Virgin Islands Perfume Corp..... | 147 | 369 | 223 | 539 | 662 |
| Huntley, Ltd..... | 803 | 275 | 6,160 | 719 | 1,016 |
| Total wine gallons..... | 17,863 | 24,284 | 35,153 | 9,975 | 6,016 |

¹ Proof gallon: The alcoholic equivalent of a U.S. gallon at 60° F., containing 50 percent of Ethyl alcohol by volume.

² Wine gallon: A U.S. gallon of liquid measure equivalent to the volume of 231 cubic inch.

| | 1964-65 | 1965-66 | 1966-67 | 1967-68 | 1968-69 |
|---|---------|---------|---------|---------|---------|
| Public schools: | | | | | |
| Kindergarten..... | 690 | 813 | 810 | 921 | 1,068 |
| Grades I-IV and ungraded..... | 5,536 | 5,993 | 6,361 | 6,757 | 8,221 |
| Grades VII-XII..... | 3,173 | 3,448 | 3,423 | 3,819 | 4,365 |
| Total..... | 9,399 | 10,254 | 10,594 | 11,497 | 13,654 |
| Nonpublic schools..... | 3,860 | 3,993 | 4,546 | 5,065 | 5,407 |
| Grand total..... | 13,269 | 14,247 | 15,140 | 16,562 | 19,061 |
| 5-year comparison high school graduates (12th grade): | | | | | |
| Public schools..... | 259 | 269 | 279 | 373 | 389 |
| Nonpublic schools..... | 92 | 123 | 147 | 188 | 173 |
| Grand total..... | 351 | 392 | 426 | 561 | 562 |

5-YEAR COMPARISON OF TOTAL OPERATING BUDGET

| Year | Local funds | Federal funds | Total |
|--------------|-------------|---------------|-------------|
| 1964-65..... | \$4,689,633 | \$419,466 | \$5,109,099 |
| 1965-66..... | 5,722,885 | 1,449,583 | 7,172,468 |
| 1966-67..... | 7,287,929 | 1,352,249 | 8,640,178 |
| 1967-68..... | 8,673,002 | 1,616,717 | 10,289,719 |
| 1968-69..... | 9,748,665 | 1,657,912 | 11,406,577 |

APPENDIX C

SUMMARY OF VITAL STATISTICS: 1967 AND 1968

(Birth, death, marriage, and divorce rates per 1,000 population. Infant, neonatal, and maternal death rates per 1,000 live births. Fetal death rates per 1,000 births—1967 and 1968)

| | 1967 | | | | 1968 | | | |
|----------------------|----------------|-------|-----------|-------|----------------------------|-------|----------------|--------|
| | Virgin Islands | | St. Croix | | St. Thomas and St. John | | Virgin Islands | |
| | Number | Rate | Number | Rate | Number | Rate | Number | Rate |
| Live births..... | 2,272 | 40.1 | 1,047 | 40.1 | 1,225 | 40.0 | 2,350 | 37.4 |
| Deaths..... | 373 | 6.6 | 164 | 6.3 | 209 | 6.8 | 471 | 40.7 |
| Infant deaths..... | 65 | 28.6 | 27 | 25.8 | 38 | 31.0 | 78 | 235 |
| Neonatal deaths..... | 51 | 22.4 | 21 | 20.1 | 30 | 24.5 | 67 | 36.2 |
| Maternal deaths..... | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 30.1 |
| Fetal deaths..... | 72 | 30.7 | 25 | 23.3 | 47 | 36.9 | 85 | 32.0 |
| Marriages..... | 700 | 12.3 | 352 | 13.5 | 348 | 11.4 | 894 | 14.2 |
| Divorces..... | 280 | 4.9 | 96 | 3.7 | 184 | 6.0 | 321 | 5.1 |
| Population..... | 56,699 | ..... | 26,083 | ..... | 30,616 | ..... | 62,802 | ..... |
| | | | | | | | | |
| | | | | | | | 29,246 | 33,556 |

DEPARTMENT OF COMMERCE

| | | |
|---------------------------------|----------------------|---|
| Total tourist expenditures..... | <u>\$112,268,245</u> | Cruise ship traffic—1968-69 |
| | | Number of ships..... |
| | | Passengers..... 491 Air traffic passengers—1968-69..... 213,541 908,776 |

DISTRIBUTION OF WAGES AND EMPLOYMENT

Comparison of subsidy payments received by tax exempt business during fiscal years 1968-69, etc.

| | | | |
|----------------------|-----------------------|-----------------|-----------------------|
| Customs duties..... | <u>\$6,127,812.66</u> | Income tax..... | <u>\$3,486,848.88</u> |
| Dividend claims..... | <u>152,172.85</u> | Excise tax..... | <u>342,088.78</u> |

TABLE I
AVERAGE WAGE AND EMPLOYMENT DISTRIBUTION FOR DIFFERENT TYPES
OF TAX EXEMPT INDUSTRIES FISCAL YEAR 1969

| Industry | Average number of employees | Average number of bonded employees | Average annual payroll |
|--|-----------------------------|------------------------------------|------------------------|
| Hotels, guest houses and motels..... | 1,915 | 802 | 6,010,500 |
| Watches and related products..... | 304 | 8 | 1,080,000 |
| Costume jewelry and related products..... | 28 | 0 | 80,000 |
| Showproofing woolens ¹ | 108 | 41 | 660,000 |
| Knitting, spinning and weaving of woolens..... | 69 | 39 | 252,000 |
| Chemical and related products..... | 542 | 2 | 3,027,500 |
| All others ² | 623 | 78 | 2,912,000 |
| Total..... | 3,589 | 970 | 14,022,000 |

¹ Affected by quota.

² Includes thermometers, manufactured woolen garments, dairy products, construction materials, etc.

WATCH MOVEMENTS AND PARTS EXPORTED TO THE UNITED STATES FROM THE U.S. VIRGIN ISLANDS DURING JULY 1,
1968, TO JUNE 30, 1969

| Name of firm | 1968 | | | | | | 1969 | | | | | | Total |
|------------------------|--------|--------|--------|--------|---------|--------|--------|--------|--------|--------|--------|---------|-----------|
| | July | Aug. | Sept. | Oct. | Nov. | Dec. | Jan. | Feb. | Mar. | Apr. | May | June | |
| Admiral Time | 10,400 | 30,070 | 15,974 | 22,780 | 13,070 | 6,420 | 5,950 | 8,700 | 12,730 | 5,731 | 7,548 | 10,500 | 149,573 |
| Antilles Industries | 34,580 | 5,845 | 66,700 | 32,280 | 125,400 | 4,000 | 12,900 | 34,627 | 27,540 | 20,992 | 22,210 | 387,074 | |
| Atlantic Time | 23,200 | 25,700 | 28,600 | 38,500 | 46,631 | 47,179 | 43,990 | 30,000 | 50,000 | 40,700 | 4,350 | 38,650 | |
| Batalf Time | 15,111 | 8,200 | 11,800 | 14,721 | 16,732 | ..... | 6,750 | 15,661 | 16,815 | 13,500 | 5,394 | 417,500 | |
| Balmont Industries | 15,000 | 2,000 | 5,000 | 13,919 | 11,250 | 26,500 | ..... | 6,000 | 10,000 | 17,236 | 20,648 | 16,273 | 89,669 |
| Master Time | 8,455 | 22,737 | 18,035 | 17,988 | 20,348 | 9,420 | 7,214 | 2,443 | 14,789 | 14,789 | 15,492 | 13,000 | 178,900 |
| Quality Products, Inc. | 33,300 | 45,350 | 49,850 | 56,048 | 29,000 | 40,625 | 11,030 | 16,700 | 20,150 | 30,570 | 23,300 | 24,500 | 322,623 |
| Rosa Watch Corp. | 11,350 | 24,550 | 24,050 | 27,500 | 25,700 | 16,900 | 11,061 | 38,648 | 50,484 | 52,519 | 43,291 | 65,466 | 256,300 |
| Standard Time | 19,445 | 62,334 | 64,379 | 69,575 | 51,653 | 98,061 | 38,349 | 38,349 | 4,000 | 5,700 | 3,000 | 12,000 | 667,796 |
| Sussex Watch | 10,000 | 7,000 | 6,709 | 21,793 | 21,793 | 20,200 | 21,835 | 29,545 | 16,075 | 15,375 | 37,625 | 108,751 | |
| Unitime Corp. | 50,675 | 35,425 | 40,613 | 55,085 | 76,987 | 76,257 | 10,100 | 19,200 | 24,683 | 15,700 | 21,500 | 24,220 | 464,697 |
| Virgo Corp. | 20,500 | 21,000 | 18,000 | 24,000 | 33,349 | 17,587 | 12,160 | 24,683 | 19,200 | 13,125 | 8,300 | 6,363 | 248,879 |
| Watches Inc. | 10,300 | 13,875 | 11,425 | 16,050 | 83,075 | 32,737 | 1,500 | 4,300 | 8,025 | 7,064 | 5,000 | 3,900 | 219,388 |
| Virgiline | ..... | 33,436 | 11,500 | 26,000 | 20,000 | 30,000 | 35,500 | 677 | 10,000 | 10,000 | 10,000 | 10,000 | 224,486 |
| R. W. Summers Time | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | 3,891,641 |
| Grand total | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... | ..... |

GOVERNMENT OF THE VIRGIN ISLANDS

ALL FUNDS

COMPARATIVE STATEMENT OF OPERATING REVENUES AND LOANS, FISCAL YEARS 1962-69

| | 1969 | 1968 | 1967 | 1966 | 1965 | 1964 | 1963 | 1962 |
|---|-------------|-------------|-------------|------------|------------|------------|------------|------------|
| Revenues: | | | | | | | | |
| Real property taxes | \$2,207,808 | \$2,308,296 | \$1,096,052 | \$959,440 | \$835,759 | \$760,043 | \$590,080 | \$499,414 |
| Income taxes | 38,212,304 | 25,942,774 | 22,627,643 | 17,462,234 | 13,233,677 | 10,707,373 | 7,511,216 | 7,221,086 |
| Inheritance taxes | 114,296 | 77,385 | 80,963 | 89,570 | 24,736 | 53,369 | 18,838 | 37,530 |
| Revenue stamp taxes | 615,734 | 464,558 | 337,885 | 323,020 | 207,946 | 195,116 | 144,335 | 135,719 |
| Trade, excise, corporation, gross receipt taxes | 9,994,853 | 7,994,996 | 6,317,683 | 4,262,753 | 3,443,618 | 1,974,344 | 1,676,071 | |
| Taxes held in escrow | 8,789,385 | 5,935,637 | 5,100,217 | 1,899,959 | 720,703 | 1,032,027 | 443,473 | 305,100 |
| Gasoline taxes | 742,587 | 626,920 | 532,257 | 582,387 | 342,442 | 244,616 | 274,498 | 259,383 |
| Other taxes | 24,556 | 388,984 | | | | | | |
| U.S. custom dues | 6,762,343 | 4,804,000 | 3,600,000 | 2,100,000 | 1,475,000 | 1,375,000 | 1,260,000 | 747,085 |
| Licenses, fees and permits | 1,815,122 | 1,040,094 | 1,772,773 | 883,472 | 752,326 | 684,839 | 536,210 | 462,066 |
| Fines, forfeits and penalties | 154,750 | 118,180 | 86,134 | 77,603 | 71,073 | 84,700 | 109,427 | 64,874 |
| Court costs, fees and charges | 17,186 | 15,289 | 17,585 | 15,504 | 14,743 | 12,897 | 20,447 | 10,227 |
| Postal service charges | 775,661 | 870,613 | 498,812 | 315,622 | 264,129 | 313,505 | 209,233 | 204,370 |
| Sewerage service charges | 35,814 | 40,674 | 32,531 | 32,708 | 36,493 | 31,562 | 28,437 | 32,191 |
| Water supply service charges | 802,411 | 665,435 | 429,129 | 239,611 | 211,890 | 194,099 | 159,320 | 149,123 |
| Harbor service charges | 105,492 | 138,242 | 121,471 | 86,525 | 82,489 | 81,203 | 55,658 | 184,452 |
| Revenue from use of money and property | 944,126 | 1,698,503 | 1,198,503 | 392,445 | 312,160 | 221,392 | 300,847 | 234,571 |
| Sale of government property | 13,920 | 71,007 | 33,131 | 15,210 | 28,126 | 7,838 | 27,456 | 45,633 |
| Matching fund contributions | 12,627,871 | 12,367,772 | 11,732,732 | 10,984,934 | 8,313,413 | 7,042,107 | 7,682,529 | 6,173,478 |
| Federal grants-in-aid | 6,107,086 | 4,903,532 | 5,737,652 | 3,064,894 | 2,193,395 | 2,465,862 | 1,647,192 | 1,351,491 |
| Proceeds from royalties | 1,380,000 | | | | | | | |
| Other revenues | 3,331,148 | 1,157,150 | 381,640 | 288,867 | 233,920 | 297,817 | 130,850 | 147,324 |
| Total operating revenues | 95,434,513 | 71,894,766 | 61,504,681 | 44,588,338 | 33,716,942 | 29,305,906 | 23,124,450 | 19,950,288 |
| Loans: | | | | | | | | |
| Bond anticipation notes | 352,000 | 6,853,000 | 4,455,000 | 1,400,000 | 6,260,000 | | | |
| Proceeds from bonds | 725,000 | | | | | | | |
| Total loans | 1,077,000 | 6,853,000 | 4,455,000 | 1,400,000 | 6,260,000 | | | |
| Grand total | 96,511,513 | 78,747,766 | 65,959,681 | 45,988,338 | 39,976,942 | 29,305,906 | 23,124,450 | 19,950,288 |
| Fund source: | | | | | | | | |
| General | 56,117,511 | 43,011,233 | 35,682,116 | 26,562,898 | 20,548,761 | 17,090,386 | 11,757,858 | 11,094,489 |
| Matching | 12,756,771 | 12,672,145 | 11,288,244 | 10,533,244 | 8,387,143 | 7,260,028 | 7,700,630 | 6,214,954 |
| Essential project | | | | | 16,431 | 21,462 | 34,573 | 50,775 |
| Special and other | | | | | 7,475,193 | 4,759,576 | 4,920,919 | 2,583,187 |
| Bond anticipation notes | | | | | 1,455,000 | 1,400,000 | 6,260,000 | |
| Proceeds from bonds | | | | | 725,000 | | | |
| Total Fund source | 96,511,513 | 78,747,766 | 65,959,681 | 45,988,338 | 39,976,942 | 29,305,906 | 23,124,450 | 19,950,288 |

GOVERNMENT OF THE VIRGIN ISLANDS

ALL FUNDS

STATEMENT OF STANDARD GOVERNMENT OPERATING EXPENDITURES
JULY 1, 1968, TO JUNE 30, 1969

| Type of expenditure | Total | General fund | Matching fund | Essential projects fund | Special and other funds |
|--|--------------|--------------|---------------|-------------------------|-------------------------|
| Legislative: | | | | | |
| Legislature of the Virgin Islands: | | | | | |
| Operating | \$714,604.23 | \$714,604.23 | | | |
| Capital improvements | 42,095.48 | 42,095.48 | | | \$42,095.48 |
| U.P.E.S.A. conference | 75.50 | 75.50 | | | |
| Commission on reapportionment of the legislature of the Virgin Islands | 2,819.74 | 2,819.74 | | | |
| Participation of Virgin Islands in inauguration of President Nixon | 15,966.25 | 15,966.25 | | | |
| Resettlement of former residents of the Virgin Islands | 13,610.91 | 13,610.91 | | | |
| Washington representative—All expenses | 96,179.03 | 96,179.03 | | | |
| Legislature reapportionment public hearing | 82.00 | 82.00 | | | |
| Virgin Islands committee to study industrial incentive program | 5,590.40 | 5,590.40 | | | |
| Home rule committee of the Virgin Islands | 2,500.00 | 2,500.00 | | | |
| Special committee to study government pay plan | 43.00 | 43.00 | | | |
| Committee on planning 1968 north east conference | 1,874.46 | 1,874.46 | | | |
| Committee on designation and redesignation | 222.70 | 222.70 | | | |
| Total | 895,663.70 | 853,668.22 | 42,095.48 | | |
| Electoral boards: | | | | | |
| St. Thomas | 35,080.82 | 35,080.82 | | | |
| St. Croix | 32,873.65 | 32,873.65 | | | |
| St. John | 9,049.66 | 9,049.66 | | | |
| Office of the supervisor of elections: | | | | | |
| Operating | 34,823.22 | 34,823.22 | | | |
| Voter registration check-up | 3,203.44 | 3,203.44 | | | |
| Total | 115,030.69 | 115,030.69 | | | |
| Total legislative: | | | | | |
| Judicial: Municipal courts of the Virgin Islands | 1,010,694.39 | 968,598.91 | 42,095.48 | | |
| Executive offices and functions: | | | | | |
| Offices of the Governor: | | | | | |
| Operating | 297,828.55 | 297,828.55 | | | |
| Governor's contingent fund | 104,899.02 | 104,899.02 | | | |

| | | |
|--|--------------|--------------|
| Teacher development and training program..... | 340,970.00 | 340,970.00 |
| Compensation payment to Magdalene Lynch..... | 2,500.00 | 2,500.00 |
| All expenses for housing consultants..... | 12,435.85 | 12,435.85 |
| Inauguration of the Governor..... | 20,000.00 | 20,000.00 |
| 1967 Governor's Conference..... | 9,836.00 | 9,836.00 |
| Veterans' assistance for education program..... | 618.85 | 618.85 |
| Capital improvements..... | 16,947.40 | 9,945.00 |
| Indepth study of personnel management..... | 946.11 | 646.11 |
| Study on reorganization of the Government of the Virgin Islands..... | 48,723.73 | 48,723.73 |
| Purchase of land at Lindberg Bay..... | 35,000.00 | 35,000.00 |
| Virgin Islands Public Television Commission..... | 100,703.96 | 100,703.96 |
| V.I.S.T.A. program..... | 83,402.12 | 83,402.12 |
| Grant to College of the Virgin Islands students..... | 343.75 | 343.75 |
| Grant to July 4th Festival—St. John..... | 1,692.57 | 1,692.57 |
| Contribution to celebration committee—St. John..... | 28,858.58 | 28,858.58 |
| Office of Economic Opportunity—Antipoverty program..... | 116,820.62 | 116,820.62 |
| Office of the Director of the Budget..... | 257,288.00 | 257,288.00 |
| Office of the Director of Personnel..... | | |
| Retirement administration: | | |
| Operating..... | 36,050.90 | 36,950.90 |
| Pension payments..... | 214,517.28 | 214,579.28 |
| Grants and contributions..... | 260,140.00 | 260,140.00 |
| Actuarial survey of the government retirement system..... | 3,629.40 | 3,629.40 |
| Office of the probation officer..... | 62,231.44 | 62,231.44 |
| Virgin Islands planning board: | | |
| Operating..... | 188,072.52 | 188,072.52 |
| Urban planning..... | 94,337.16 | 151,377.73 |
| Office of the Administrative Assistant—St. Croix..... | 80,787.85 | 80,787.85 |
| Office of the Administrative Assistant—St. John..... | 2,328.75 | 2,328.75 |
| Travel assistance to St. John students attending College of the Virgin Islands..... | 238,689.19 | 238,689.19 |
| Office of public relations and information..... | | |
| Office of statistics and economic studies: | | |
| Operating..... | 61,883.56 | 61,883.56 |
| Statistic and survey projects..... | 19,865.76 | 19,865.76 |
| Office of civil defense..... | 91,302.50 | 73,590.60 |
| Office of the division of special projects..... | 56,847.22 | 56,847.22 |
| Commission on status of women..... | 10,184.74 | 10,184.74 |
| Total..... | 2,992,293.54 | 2,699,006.04 |
| Office of the government secretary..... | 377,826.26 | 377,826.26 |
| Department of Law: | | |
| Operating..... | 457,550.19 | 457,550.19 |
| Annual conference of the National Association of Attorney's General and Other Virgin Islands Law Enforcement Commission..... | 68.75 | 68.75 |
| Total..... | 45,641.67 | 45,641.67 |
| 563,260.61 | 457,618.94 | 457,618.94 |
| | 286,555.10 | 286,555.10 |

| Type of expenditure | Total | General fund | Matching fund | Essential projects fund | Special and other funds |
|---|---------------|---------------|---------------|-------------------------|-------------------------|
| Department of Finance: | | | | | |
| Operating— | 2,297,170.47 | 2,297,170.47 | — | — | 28,896.27 |
| Capital improvements— | 688,191.07 | 4,000.55 | 655,294.25 | — | — |
| Licensing of barbers, beauticians, and manicurists— | 70,000 | 70,000 | — | — | — |
| Contribution to 1969 Virgin Island carnival— | 10,000.00 | 10,000.00 | — | — | — |
| Refund of taxes, fees, and licenses— | 60,085.16 | 60,085.16 | — | — | — |
| Grants and contributions to the College of the Virgin Islands— | 1,554,880.00 | 1,554,880.00 | — | — | — |
| Unemployment compensation insurance— | 62,872.26 | 62,872.26 | — | — | — |
| Workmen's compensation insurance— | 176,499.82 | 176,499.82 | — | — | — |
| Bonding of government officials and employees— | 7,742.00 | 7,742.00 | — | — | — |
| Claims against the Virgin Islands Government— | 14,889.66 | 14,889.66 | — | — | 14,689.66 |
| Matchable contribution for training program under title VIII— | 29,000.00 | 29,000.00 | — | — | — |
| Contributions to urban renewal board— | 332,600.00 | 332,600.00 | — | — | — |
| Refund of certain 1965 real property taxes— | 7,087.77 | 7,087.77 | — | — | 64,308.72 |
| Molasses subsidy— | 64,308.72 | 64,308.72 | — | — | — |
| Repayment of loans from Virgin Islands lottery and government insurance fund— | 24,013.30 | 24,013.30 | — | — | — |
| Virgin Islands Ecological Research Institute— | 51,930.00 | 51,930.00 | — | — | 3,750.32 |
| Fish and wildlife program— | 10,584.32 | 6,834.32 | — | — | — |
| Internal Revenue—Stamp tax refunds— | 395.16 | 395.16 | — | — | 272.25 |
| Payment of utilities for other departments— | 871,729.48 | 871,457.23 | — | — | — |
| Communication cost of 1967 Governor's Conference— | 40,000.00 | 40,000.00 | — | — | — |
| Purchase of land for new airport— | 300,000.00 | 300,000.00 | — | — | — |
| Law library fund purchases— | 1,102.00 | 1,102.00 | — | — | 1,102.00 |
| Payments to Harvey Alumina, Inc.— | 1,108,000.00 | 1,108,000.00 | — | — | 1,108,000.00 |
| Semicentennial and Governor's Conference— | 10,368.82 | 10,368.82 | — | — | 10,368.82 |
| Tax exemption subsidies— | 10,019,645.56 | 10,019,645.56 | — | — | 10,019,645.56 |
| Bond debt expense— | 50,444.55 | 50,444.55 | — | — | 50,444.55 |
| Retirement of bond anticipation notes and interest payment— | 8,411,708.65 | 8,411,708.65 | — | — | 8,411,708.65 |
| Income tax refund— | 1,941,306.61 | 1,941,306.61 | — | — | — |
| Total— | 28,144,915.38 | 7,777,934.33 | 655,294.25 | — | 19,711,686.80 |
| Department of Property and Procurement: | | | | | |
| Operating— | 862,415.34 | 862,415.34 | — | — | — |
| Rentals—All departments— | 367,611.89 | 367,611.89 | — | — | — |
| Purchase of equipment for other departments— | 748,194.50 | 748,194.50 | — | — | — |
| Promotion and advertising—All departments— | 104,875.73 | 104,875.73 | — | — | — |
| Transportation for other departments— | 44,473.03 | 44,473.03 | — | — | — |
| Land acquisition— | 730,281.47 | 730,281.47 | — | — | 730,281.47 |
| Capital improvements— | 14,700.00 | 14,700.00 | — | — | — |
| Total— | 2,872,551.96 | 2,127,50.49 | 14,700.00 | — | 730,281.47 |
| Department of Health: | | | | | |
| Operating— | 8,227,776.77 | 8,227,776.77 | — | — | — |
| Capital improvements— | 594,258.45 | 70,623.45 | 7,337.20 | — | 516,297.72 |
| Grants and contributions— | 48,663.24 | 48,663.24 | — | — | — |

| | | | |
|--|----------------------|---------------------|---------------------|
| Implementation of medical assistance programs | 52,401.55 | 52,401.55 | |
| Practical nursing training program | 37,239.41 | 37,239.41 | |
| Implementation of medicare program | 3,257.91 | 3,257.91 | |
| Aedes Aegypti mosquito control and other purposes | 97,189.59 | 97,189.59 | |
| Special commission on status and problems of frontliners | 3,810.63 | 3,810.63 | |
| V.I. commission for human resources and other purposes | 2,297.24 | 2,297.24 | |
| Engineering services for sewerage | 32,077.13 | 32,077.13 | |
| Public Health service | 3,625,494.98 | 3,625,494.98 | |
| Medical supplies | 499,350.25 | 499,350.25 | |
| Educational equipment | 174.65 | 174.65 | |
| Neighborhood Youth Corps | 401,979.68 | 401,979.68 | |
| Repairs and maintenance to hospital and health buildings | 662.78 | 662.78 | |
| Total | 13,826,604.19 | 8,575,969.71 | 7,337.20 |
| | | | 4,943,297.28 |
| Department of Education: | | | |
| Operating | | | |
| Capital improvements | 8,627,785.33 | 8,627,785.33 | |
| Grants and contributions | 1,431,282.33 | 472,888.96 | |
| Vocational education | 316,732.00 | 316,732.00 | |
| Vocational rehabilitation | 596,149.49 | | |
| School lunch program | 220,147.12 | | |
| National defense education | 250,232.32 | | |
| Manpower development and training | 149,761.30 | | |
| Headstart program | 35,165.07 | | |
| Neighborhood Youth Corps | 363,485.08 | | |
| Adult basic education | 85,985.92 | | |
| Elementary and secondary education | 25,833.54 | | |
| Education workshop for teachers | 541,419.19 | | |
| Educational services | 9,710.00 | | |
| Board of Education | 41,774.61 | | |
| | 22,631.43 | 22,631.43 | |
| Total | 12,718,084.73 | 9,440,067.72 | 141,139.68 |
| | | | 3,136,877.33 |
| Department of Social Welfare: | | | |
| Operating | | | |
| Capital improvements | 2,084,604.89 | 2,084,604.89 | |
| Grants and contributions | 9,100.00 | 9,100.00 | |
| Sewing project | 208,785.10 | 208,785.10 | |
| Day care facilities | 14,225.52 | 14,225.52 | |
| Commission on aging | 281,942.63 | | |
| Youth commission | 81,932.73 | | |
| Home care center | 23,376.97 | | |
| Public assistance | 9,483.50 | | |
| Child welfare | 876,653.01 | | |
| Cancer program | 83,859.84 | | |
| Work experience program | 33,688.32 | | |
| Corneiro Home | 45,687.74 | | |
| Contribution to criminal victims' compensation fund | 19,061.40 | | |
| | 59,000.00 | 59,000.00 | |
| Total | 3,837,401.66 | 2,404,475.98 | 9,100.00 |
| | | | 1,423,825.67 |

| Type of expenditure | Total | General fund | Matching fund | Essential projects fund | Special and other funds |
|---|----------------|----------------|---------------|-------------------------|-------------------------|
| Department of Conservation and Cultural Affairs: | | | | | |
| Operating | | | | | |
| Capital improvements | \$1,059,721.67 | \$1,059,721.67 | | | \$10,581.87 |
| Grants and contributions | 108,614.30 | 79,297.42 | \$18,735.01 | | |
| Virgin Islands museums | 126,622.71 | 126,622.71 | | | |
| Virgin Islands program | 2,400.00 | 2,400.00 | | | |
| Library Services Act of 1964 program | 114,463.53 | | | | 114,463.53 |
| Special conservation activities | 64,237.82 | | | | 64,237.83 |
| Summer swimming program | 174,375.00 | | | | 174,375.00 |
| Outdoor recreation program | 5,989.12 | 5,989.12 | | | 5,000.00 |
| Wildlife resources survey of Virgin Islands | 5,000.00 | | | | |
| Total | 10,238.23 | | | | 10,238.23 |
| | | | | | |
| | 1,671,662.38 | 1,274,030.92 | 18,735.01 | | 378,896.45 |
| Department of Public Safety: | | | | | |
| Operating | | | | | |
| Claim against the Government | 3,540,496.36 | 4,540,496.36 | | | |
| School crossing guards | 70,000.00 | 70,000.00 | | | |
| Total | 160,410.12 | 160,410.12 | | | |
| | | | | | |
| | 3,770,906.48 | 3,770,906.48 | | | |
| Department of Public Works: | | | | | |
| Operating | | | | | |
| Capital improvements | 8,861,722.25 | 8,861,722.25 | | | |
| Clean-up campaign | 5,020,768.66 | 116,047.46 | 3,080,366.71 | \$22,557.85 | 1,860,196.64 |
| Sewage systems | 3,221.20 | 3,221.20 | | | |
| Total | 27,141.00 | | | | 27,141.00 |
| | | | | | |
| | 13,912,853.11 | 8,981,590.91 | 3,080,366.71 | 22,557.85 | 1,828,337.64 |
| Department of Housing and Community Renewal: | | | | | |
| Operating | | | | | |
| Grants and contributions | 436,336.40 | 436,336.40 | | | |
| Capital improvements | 109,300.00 | 109,300.00 | | | |
| Community renewal | 1,628,331.27 | 169,027.50 | 1,448,333.77 | | 10,960.00 |
| Subdivision of Bordeaux for homesites | 3,595.27 | | | | 3,595.27 |
| Emergency housing program | 7,100.93 | 7,100.93 | | | |
| Total | 193,818.51 | | | | 193,818.51 |
| | | | | | |
| | 2,378,482.38 | 721,764.83 | 1,448,343.77 | | 208,373.78 |
| Department of Commerce: | | | | | |
| Operating | | | | | |
| Grants and contributions | 832,989.41 | 832,989.41 | | | |
| Maine and aviation services | 48,896.46 | 48,896.46 | | | |
| Advertising and literature | 1,123,893.57 | | | | 1,123,893.57 |
| Promotion of fishing and water sports | 748,837.77 | 748,837.77 | | | |
| Beautification program | 32,645.88 | 32,645.88 | | | |
| | 4,164.08 | 4,164.08 | | | |

| | | |
|---|---------------|---------------|
| Renovation of New York office | 6,067.34 | 6,067.34 |
| Tourist promotion | 15,363.66 | 15,363.66 |
| Total | 2,811,858.07 | 1,672,800.94 |
| Department of Labor: | | |
| Capital improvements | 421,330.02 | 421,330.02 |
| Total | 729.78 | 729.78 |
| Department of Agriculture: | | |
| Operating | 422,059.80 | 422,059.80 |
| Eradication of Bont tick | 1,162,343.93 | 1,162,343.93 |
| Emergency drought relief | 184,707.28 | 184,707.28 |
| Special conservation activities | 32,595.30 | 32,595.30 |
| Wildlife resources survey of Virgin Islands | 31,240.75 | 31,240.75 |
| Forestry program | 4,455.08 | 4,455.08 |
| Claim of Juan Pardo | 3,554.90 | 3,554.90 |
| Board of supervisors, soil conservation program | 10,000.00 | 10,000.00 |
| Water and soil conservation program | 2,604.65 | 2,604.65 |
| Roadside tree improvements | 4,677.27 | 4,677.27 |
| Capital improvements | 236,742.48 | 77,230.89 |
| Summer recreation program | 21,337.45 | 21,337.45 |
| Total | 1,690,622.39 | 1,282,112.39 |
| Employment Service Administration: | | |
| Operating | 373,261.15 | 373,261.15 |
| Manpower development and training | 25,323.15 | 25,323.15 |
| Total | 398,584.30 | 398,584.30 |
| Unemployment Compensation Administration: Operating | | |
| virgin Islands Airport and Industrial Resources Agency: | | |
| Operating | 1,225,658.77 | 61,946.40 |
| Capital improvements | 1,165,222.35 | 39,185.00 |
| Promoting and providing air show—St. Croix | 14,497.11 | 14,497.11 |
| Total | 2,405,378.23 | 115,628.51 |
| virgin Islands board of public accountancy | 656,966.65 | 656,966.65 |
| Commission on human services | 358.72 | 358.72 |
| Total executive and other | 312,192.87 | 312,192.87 |
| Total operating expenditure | 94,979,564.38 | 52,101,304.25 |
| | 6,055,349.33 | 165,435.78 |
| | 53,411,263.82 | 36,657,415.02 |
| | 6,097,444.81 | 165,435.78 |

GOVERNMENT OF THE VIRGIN ISLANDS
GENERAL FUND, MATCHING FUND AND ESSENTIAL PROJECTS FUND
COMPARATIVE STATEMENT OF REVENUES AND RECEIPTS
FISCAL YEARS 1965-69

| Description | Fiscal year 1969 | Percent of total | Fiscal year 1968 | Percent of total | Fiscal Year 1967 | Percent of total | Fiscal year 1966 | Percent of total | Fiscal year 1965 | Percent of total |
|---|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|----------------------|---------------------|
| General fund: | | | | | | | | | | |
| Real property taxes..... | \$2,207,807.65 | 3.77 | \$2,308,295.63 | 5.37 | \$1,096,051.64 | 3.07 | \$959,440.21 | 3.55 | \$835,759.08 | 4.07 |
| Income taxes..... | 38,212,304.56 | 65.33 | 25,942.77 | 60.32 | 29,927,442.74 | 64.24 | 17,462,325.64 | 64.53 | 13,206,870.65 | 64.27 |
| Inheritance taxes..... | 114,285.77 | .20 | 77,384.94 | .18 | 820,962.75 | 2.30 | 89,869.52 | .33 | 24,785.91 | .12 |
| Stamp taxes..... | 615,754.02 | 1.05 | 464,558.30 | 1.08 | 337,884.71 | .95 | 323,020.13 | 1.19 | 307,946.21 | 1.50 |
| Trade excise and gross receipts taxes..... | 9,715,037.05 | 16.61 | 7,942,547.07 | 18.47 | 6,322,186.33 | 17.71 | 5,281,143.86 | 19.52 | 4,211,310.15 | 20.49 |
| Custom dues..... | 2,560,871.46 | 4.38 | 3,425,785.19 | 7.96 | 2,489,570.99 | 7.00 | 1,973,793.43 | 3.60 | 688,895.22 | 3.21 |
| Licenses, fees, and permits..... | 1,367,333.78 | 2.34 | 1,036,790.13 | 2.41 | 868,791.75 | 2.43 | 768,506.55 | 2.84 | 692,260.61 | 3.37 |
| Corporation franchise taxes..... | 79,816.20 | .14 | 52,148.43 | .12 | 53,183.75 | .15 | 36,111.38 | .13 | 40,527.98 | .20 |
| Fines, forfeits, and penalties..... | 37,311.10 | .06 | 45,423.32 | .10 | 20,541.00 | .06 | 21,129.18 | .08 | 26,023.97 | 1.3 |
| Revenues from use of money and property (note 1)..... | 258,640.20 | .44 | 181,800.48 | .42 | 120,369.21 | .34 | 49,127.46 | .18 | 31,810.44 | .15 |
| Other income and receipts..... | 3,323,180.59 | 5.68 | 1,536,125.09 | 3.47 | 622,753.59 | 1.75 | 1,096,598.07 | 4.05 | 512,571.23 | 2.49 |
| Total general fund..... | 58,492,992.38 | 100.00 | 43,011,232.64 | 100.00 | 35,689,938.37 | 100.00 | 27,060,976.43 | 100.00 | 20,548,760.55 | 100.00 |
| Matching fund and essential projects fund: | | | | | | | | | | |
| Internal Revenue matching contributions..... | 12,627,871.47 | 96.68 | 12,367,772.49 | 97.52 | 11,073,732.26 | 98.31 | 10,405,984.38 | 98.64 | 8,313,412.70 | 98.87 |
| Transfers and reimbursements..... | 128,900.03 | .99 | 11,566.29 | .09 | 3,079.28 | .03 | 5,856.80 | .05 | 12,224.13 | .14 |
| Miscellaneous insurance compensation..... | | | | | | | | | | |
| Interest on government funds (note 2)..... | 303,720.81 | 2.33 | 302,730.85 | 2.30 | 187,220.27 | 1.66 | 137,799.95 | 1.31 | 82,967.92 | .99 |
| Total matching fund and essential projects fund..... | 13,060,492.31 | 100.00 | 12,682,069.63 | 100.00 | 11,264,058.81 | 100.00 | 10,549,641.13 | 100.00 | 8,408,604.75 | 100.00 |
| Grand total..... | 71,533,484.69 | ----- | 55,633,302.27 | ----- | 46,933,997.18 | ----- | 37,610,617.56 | ----- | 28,957,365.30 | ----- |

¹ Note 1: This figure includes interest in the amount of \$224,487.00 to be transferred to the interest revenue fund.
² Note 2: This amount is to be transferred to the interest revenue fund.

GOVERNMENT OF THE VIRGIN ISLANDS
 GENERAL FUND, MATCHING FUND AND ESSENTIAL PROJECTS FUND
 COMPARATIVE STATEMENT OF EXPENSES—FISCAL YEARS 1965–69

| | Fiscal year 1969 of total expenses | Percent of total expenses | Fiscal year 1968 of total expenses | Percent of total expenses | Fiscal year 1967 of total expenses | Percent of total expenses | Fiscal year 1966 of total expenses | Percent of total expenses | Fiscal year 1965 of total expenses | Percent of total expenses |
|---|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|--|---------------------------------|
| Standard governmental expenses: | | | | | | | | | | |
| Legislative..... | \$974,284.94 | 1.60 | \$848,280.44 | 1.64 | \$705,899.24 | 1.57 | \$532,462.30 | 1.52 | \$442,258.80 | 1.69 |
| Judicial (municipal courts)..... | 341,772.83 | .56 | 317,389.92 | .62 | 270,904.57 | .61 | 253,384.17 | .73 | 166,060.69 | .60 |
| Executive: | | | | | | | | | | |
| Administrative departments and agencies: | 5,875,548.14 | 9.73 | 5,589,310.99 | 10.83 | 4,434,679.81 | 9.84 | 3,697,227.61 | 10.80 | 2,992,519.68 | 10.80 |
| Service departments: | | | | | | | | | | |
| Public works..... | 8,734,115.62 | 14.46 | 7,516,018.27 | 14.66 | 6,370,186.17 | 14.14 | 4,946,462.38 | 14.17 | 4,048,500.77 | 14.60 |
| Health..... | 10,070,490.74 | 16.67 | 7,047,596.56 | 13.66 | 6,000,950.13 | 13.32 | 4,863,128.02 | 13.93 | 3,792,776.91 | 13.88 |
| Education..... | 9,810,285.77 | 16.24 | 6,748,386.46 | 13.08 | 5,775,702.30 | 12.82 | 4,859,376.00 | 13.92 | 4,069,966.41 | 14.46 |
| Social welfare..... | 3,119,945.40 | 5.16 | 1,867,512.66 | 3.62 | 1,526,442.21 | 3.39 | 1,269,487.85 | 3.72 | 1,112,588.02 | 4.01 |
| Public safety..... | 3,748,688.07 | 6.20 | 2,600,015.03 | 5.04 | 2,060,797.37 | 4.57 | 1,586,541.72 | 4.55 | 1,271,491.66 | 4.89 |
| Commerce..... | 1,690,731.12 | 2.80 | 841,414.13 | 1.63 | 678,986.42 | 1.51 | 1,255,920.19 | 3.54 | 834,325.36 | 3.01 |
| Agriculture and labor..... | 1,277,160.60 | 2.11 | 407,447.51 | .79 | 330,638.27 | .73 | 374,375.25 | 2.79 | 665,440.50 | 2.40 |
| Housing and community renewal..... | 527,189.82 | .87 | 1,748,211.17 | 3.38 | 1,511,362.58 | 3.36 | 974,375.25 | 2.79 | 249,442.89 | .90 |
| Agriculture and recreation..... | 1,420,518.96 | 2.35 | 1,409,370.68 | .79 | 344,802.27 | .77 | 295,186.27 | .85 | — | — |
| Labor..... | 413,120.40 | .68 | — | — | — | — | — | — | — | — |
| Total..... | 46,687,704.64 | 77.27 | 34,775,883.46 | 67.39 | 29,034,557.63 | 64.45 | 23,757,705.30 | 68.07 | 18,977,091.79 | 68.45 |
| Other governmental expenses..... | 6,782,300.41 | 11.23 | 9,587,663.19 | 18.58 | 10,277,012.81 | 22.81 | 6,375,926.63 | 18.27 | 4,188,356.96 | 15.11 |
| Total standard governmental expenses..... | 54,786,131.82 | 90.66 | 45,529,507.01 | 88.23 | 40,288,374.15 | 89.44 | 30,919,478.40 | 88.59 | 23,773,768.24 | 85.75 |

| | Fiscal year 1969 expenses | Percent of total expenses | Fiscal year 1968 expenses | Percent of total expenses | Fiscal year 1967 expenses | Percent of total expenses | Fiscal year 1966 expenses | Percent of total expenses | Fiscal year 1965 expenses | Percent of total expenses |
|---|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|------------------------------|---------------------------------|
| Public projects—General fund, matching fund, and essential projects fund: | | | | | | | | | | |
| Public Works Department..... | \$2,555,031.79 | 4.23 | \$3,016,547.29 | 5.85 | \$3,872,424.74 | 8.60 | \$2,566,658.70 | 7.35 | \$3,025,797.86 | 10.91 |
| Health Department..... | 4,118.25 | .01 | 10,000.00 | .02 | 10,000.00 | .02 | 334,000.00 | .96 | 334,000.00 | .36 |
| Education Department..... | | | 282,929.04 | .55 | 58,041.71 | .13 | 74,060.02 | .21 | 98,540.42 | |
| Social Welfare Department..... | | | | | | | | | | |
| Housing and Community Renewal Department..... | 9,100.00 | .02 | | | | | | | | |
| Agriculture and Labor Department..... | 1,066,552.23 | 1.80 | 1,717,601.75 | 3.33 | 530,144.47 | 1.18 | 572,515.03 | 1.64 | 665,196.88 | 2.40 |
| Property and Procurement Department..... | 300,000.00 | .50 | 53,272.87 | .10 | 46,373.25 | .10 | 67,799.12 | .19 | 110,240.45 | .40 |
| Commerce Department..... | | | | | | | 13,000.00 | .04 | 30,000.00 | .11 |
| Legislature..... | | | | | | | | | 20,405.00 | .07 |
| Office of the Governor..... | 23,100.80 | .04 | 26,859.68 | .06 | | | 13,492.88 | .04 | | |
| Virgin Island Airport and Industrial Resources Agency..... | 5,000.00 | .01 | 86,084.81 | .17 | 10,420.00 | .02 | 25,000.00 | .07 | | |
| Finance Department..... | 893,121.51 | 1.48 | 103,991.50 | .20 | 29,965.61 | .06 | 318,029.73 | .91 | | |
| Agriculture and Recreation Department..... | 568,569.50 | .94 | 665,805.16 | 1.29 | 43,400.00 | .10 | | | | |
| Office of the Governor..... | 184,946.38 | .31 | 77,134.57 | .15 | 168,024.86 | .37 | | | | |
| Total public projects—General fund, matching fund, and essential projects fund..... | 5,629,480.46 | 9.34 | 6,070,788.58 | 11.77 | 4,758,794.63 | 10.56 | 3,984,555.48 | 11.41 | 3,950,180.61 | 14.25 |
| Total expenses..... | 60,415,612.28 | 100.00 | 51,600,295.59 | 100.00 | 45,047,168.78 | 100.00 | 34,904,033.88 | 100.00 | 27,723,948.85 | 100.00 |

GOVERNMENT OF THE VIRGIN ISLANDS

ALL FUNDS

STATEMENT OF STANDARD GOVERNMENT OPERATING REVENUES AND
PROCEEDS OF LOANS, JULY 1, 1968 TO JUNE 30, 1969

| Source of revenue | Total | General fund | Matching fund | Essential projects fund | Special and other funds |
|--|-------------|--------------|---------------|-------------------------|-------------------------|
| Taxes: | | | | | |
| Real property taxes..... | \$2,607,808 | \$2,207,808 | | | |
| Income taxes..... | 38,212,304 | 38,212,304 | | | |
| Inheritance taxes..... | 114,696 | 114,296 | | | |
| Stamp taxes..... | 615,794 | 615,794 | | | |
| Corporation franchise taxes..... | 79,816 | 79,816 | | | |
| Production taxes..... | 24,556 | 24,556 | | | |
| Gasoline taxes..... | 742,587 | | | | \$742,587 |
| Gross receipts taxes..... | 6,127,549 | 6,127,549 | | | |
| Trade and excise taxes..... | 3,587,488 | 3,587,488 | | | |
| Taxes held in escrow..... | 8,789,385 | | | | 8,789,385 |
| Total taxes..... | 60,501,583 | 50,969,611 | | | 9,531,972 |
| Government operating income: | | | | | |
| Sewerage service charges..... | 35,814 | 31,475 | | | 4,339 |
| Water supply charges..... | 802,411 | 779,994 | | | 22,417 |
| Hospital service charges..... | 775,661 | | | | 775,661 |
| Miscellaneous service charges..... | 221,287 | 221,287 | | | |
| Sale of property and equipment including home- stead land..... | 13,920 | 2,257 | | | 11,663 |
| Court costs fees and charges..... | 17,186 | 17,186 | | | |
| Harbor dues and services..... | 165,492 | | | | 165,492 |
| Total government operating income..... | 2,031,771 | 1,052,199 | | | 979,572 |
| Other revenues: | | | | | |
| Licenses, fees, and permits..... | 1,815,122 | 1,367,934 | | | 447,188 |
| Fines, forfeits, and penalties..... | 154,750 | 37,311 | | | 117,439 |
| Collections from United States customs..... | 6,762,343 | 2,560,871 | | | 4,201,472 |
| Rents and concessions..... | 944,126 | 34,153 | | | 909,973 |
| Federal contributions including internal reve- nue returns..... | 18,734,957 | | 12,627,871 | | 6,107,086 |
| Private contributions..... | 23,186 | | | | 23,186 |
| Refunds and over deposits..... | 611,751 | | 125,900 | | 485,851 |
| Department services..... | 442,754 | 7,395 | | | 435,359 |
| Proceeds from royalties..... | 1,380,000 | | | | 1,380,000 |
| Miscellaneous receipts..... | 2,032,170 | 88,037 | 3,000 | | 1,941,133 |
| Total other revenues..... | 32,901,159 | 4,095,701 | 12,756,771 | | 16,048,687 |
| Total operating revenue..... | 95,434,513 | 56,117,511 | 12,756,771 | | 26,560,231 |
| Loans: | | | | | |
| Bond anticipation notes..... | 352,000 | | | | 352,000 |
| Proceeds from bonds..... | 725,000 | | | | 725,000 |
| Total loans..... | 1,077,000 | | | | 1,077,000 |
| Grand totals..... | 96,511,513 | 56,117,511 | 12,756,771 | | 27,637,231 |

GOVERNMENT OF THE VIRGIN ISLANDS

ALL FUNDS

COMPARATIVE STATEMENT OF NET EXPENDITURES—FISCAL YEARS 1962–69

| Department or agency | 1969 | 1968 | 1967 | 1966 | 1965 | 1964 | 1963 | 1962 |
|---|------------|------------|------------|------------|------------|------------|------------|------------|
| Virgin Islands legislature... | \$895,664 | \$848,503 | \$641,426 | \$472,126 | \$429,638 | \$260,663 | \$181,389 | \$232,594 |
| Electoral boards... | 77,004 | 46,317 | 60,132 | 30,230 | 48,290 | 33,773 | 29,080 | 5,977 |
| Supervisor of elections... | 38,027 | 64,866 | 40,877 | 32,910 | 36,834 | 46,490 | 5,205 | — |
| Municipal court of the Virgin Islands... | 341,301 | 2,632,878 | 2,061,397 | 253,332 | 151,823 | 94,313 | 66,767 | 74,365 |
| Executive offices of the Governor... | 2,992,293 | 2,632,878 | 2,061,397 | 1,160,144 | 938,365 | 778,707 | 495,375 | — |
| Office of the government secretary... | 563,261 | 328,481 | 325,866 | 284,871 | 303,308 | 268,257 | 268,467 | 280,443 |
| Department of Law... | 26,590,036 | 24,416,249 | 9,254,112 | 2,344,657 | 195,184 | 124,259 | 122,782 | — |
| Department of Finance... | 2,872,582 | 2,626,114 | 5,264,615 | 4,134,211 | 3,231,846 | 1,273,069 | 568,605 | — |
| Department of Property & Procurement... | 13,526,604 | 11,426,583 | 8,350,704 | 7,048,020 | 450,908 | 572,324 | 289,049 | 318,137 |
| Department of Health... | 12,718,085 | 9,608,697 | 3,985,649 | 7,260,581 | 5,094,319 | 4,367,503 | 2,919,239 | 2,945,727 |
| Department of Education... | 3,837,402 | 3,126,324 | 2,614,084 | 2,141,723 | 1,943,577 | 1,070,935 | 985,121 | 1,189,246 |
| Department of Social Welfare... | 3,770,906 | 3,399,054 | 1,893,434 | 1,521,550 | 1,241,571 | 1,045,647 | 829,992 | 818,054 |
| Department of Public Safety... | 13,912,853 | 11,868,645 | 13,889,226 | 9,144,283 | 10,099,826 | 9,572,185 | 9,108,430 | — |
| Department of Public Works... | 2,811,888 | 2,094,550 | 1,873,127 | 1,657,335 | 1,330,562 | 1,219,194 | 932,621 | 766,306 |
| Department of Commerce... | 2,378,482 | 2,478,262 | 1,533,743 | 1,079,482 | 1,287,453 | 1,276,875 | 98,389 | — |
| Department of Housing and Community Renewal... | 1,671,662 | — | 219,038 | 106,360 | 407,263 | 705,528 | 572,461 | 284,270 |
| Department of Agriculture and Labor... | 422,060 | 359,633 | 325,271 | 155,610 | — | — | — | 239,856 |
| Department of Labor... | 1,690,622 | 2,123,699 | 1,404,745 | 479,246 | — | — | — | — |
| Department of Agriculture (Note 1)... | 2,405,378 | 1,711,373 | 2,411,047 | 128,886 | — | — | — | — |
| Virgin Islands airport and industrial resources... | 630,252 | 479,045 | 451,078 | 371,404 | 326,360 | 256,019 | 129,264 | 130,550 |
| Virgin Islands employment agency... | 359 | 301 | 182 | 192 | 132 | 244 | — | 96 |
| Virgin Islands board of public accountancy... | 1,554,880 | 1,325,000 | 1,120,303 | 866,133 | 670,000 | 465,000 | — | — |
| College of the Virgin Islands—Local contributions (Note 2)... | 312,138 | 219,038 | 106,360 | — | — | — | — | — |
| Commission on human services... | 1,671,662 | — | — | — | — | — | — | — |
| Department of Conservation and Cultural Affairs... | — | — | — | — | — | — | — | — |
| Totals: | 96,331,560 | 80,856,031 | 61,197,889 | 40,614,684 | 34,903,324 | 30,182,901 | 18,111,861 | 20,050,808 |
| Source: | | | | | | | | |
| General fund... | 53,411,264 | 41,676,755 | 33,878,229 | 25,867,883 | 21,353,778 | 13,741,307 | 11,314,974 | 8,899,207 |
| Matching fund... | 6,091,445 | 5,792,701 | 7,566,841 | 4,900,417 | 5,165,284 | 6,382,561 | 5,179,855 | — |
| Essential projects fund... | 165,436 | 33,341,538 | 19,999,874 | 652,583 | 1,055,718 | 3,464,355 | 5,731,394 | 3,000,755 |
| Special and other funds... | 36,657,193 | — | — | 9,617,801 | 7,328,544 | 6,544,638 | 1,172,980 | 2,970,993 |
| Totals: | 96,331,560 | 80,856,031 | 61,197,889 | 40,614,684 | 34,903,324 | 30,182,901 | 18,111,861 | 20,050,808 |

¹ Note 1: Formerly Department of Agriculture and Recreation.

² Note 2: Extracted from Department of Finance expenditures.

OPERATING AND SPECIAL APPROPRIATIONS

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|--|---|--------------|--------------|------------|
| 2241/2328/2391/T | The Legislature | \$748,000.00 | \$748,000.00 | ----- |
| 2241 | Office of Washington representative | 100,000.00 | 100,000.00 | ----- |
| 2316/T | Uniform reciprocal committee for enforcement of support act. | 2,000.00 | 2,000.00 | ----- |
| 2262 | Resettlement of former residents of the Virgin Islands | 15,000.00 | 15,000.00 | ----- |
| 2376 | Virgin Islands participation in inauguration of Richard M. Nixon | 17,000.00 | 17,000.00 | ----- |
| 2378 | Designation and redesignation of public facilities | 500.00 | 500.00 | ----- |
| 2268/P | Office of the Governor | 310,394.00 | 310,394.00 | ----- |
| 2316 | All expenses for housing consultants | 25,000.00 | 25,000.00 | ----- |
| 2233 | Compensation to Magdalene Lynch | 2,500.00 | 2,500.00 | ----- |
| 2248 | Virgin Islands Public Television Commission | 111,639.00 | 111,639.00 | ----- |
| 2268/2441 | Teacher's development and training program | 340,970.00 | 340,970.00 | ----- |
| 2383 | Group insurance plan | 2,000.00 | ----- | \$2,000 |
| 2452 | Inauguration of Governor | 20,000.00 | 20,000.00 | ----- |
| 2268/2477/T | Governor's contingent fund | 100,860.00 | 95,860.00 | 5,000 |
| 2268 | Office of public relations and information | 231,040.00 | 228,790.00 | 2,250 |
| 2268/2282 | Office of economic opportunity | 38,738.00 | 38,270.00 | 468 |
| 2268 | Office of civil defense | 55,516.00 | 54,582.00 | 934 |
| 2268 | Office of statistics and economic studies | 67,695.00 | 67,172.00 | 523 |
| 2268 | Matchable contribution for statistical and survey projects | 9,295.00 | ----- | 9,295 |
| 2268/P | VISTA program | 106,791.00 | 102,370.00 | 4,421 |
| 2268/2282/T | Division of special projects | 71,370.00 | 69,560.00 | 1,810 |
| 2268/2316 | Office of the director of the budget | 164,265.00 | 145,405.00 | 18,860 |
| 2268/2316/T/P | Division of personnel | 231,686.00 | 219,010.00 | 2,676 |
| 2268 | Retirement administration | 37,631.00 | 37,118.00 | 513 |
| 2137/2175/2180/2187/2190 2235/2256/2268/2271/2290 2291/2292/2293/2399/2390 2417/2418/2421/2424/2425 2430/2433/2434/2444/2446 2316/2450/2451/T | Grants and contributions: Actuarial survey of the government retirement system | 10,000.00 | 9,000.00 | 1,000 |
| 2268/T | Office of the probation officer | 77,154.00 | 76,864.00 | 290 |
| 2268 | Virgin Islands planning board | 190,048.00 | 187,578.00 | 2,470 |
| 2268/2282/2316/T | Office of the administrative assistant for St. Croix | 151,659.00 | 102,750.00 | 48,909 |
| 2268/2282/P | Office of the administrative assistant for St. John | 85,020.00 | 83,532.00 | 1,488 |
| 2268/2409/2477/P | Office of the government secretary | 443,872.70 | 443,457.70 | 415 |
| 2268/2316/2452/P | Department of Education | 8,813,878.00 | 8,771,996.00 | 41,882 |
| 2268/2328 | Boy Scouts | 25,000.00 | 25,000.00 | ----- |
| 2268 | Sea Scouts | 800.00 | 800.00 | ----- |
| 2268 | Girl Scouts | 15,000.00 | 15,000.00 | ----- |
| 2268 | Compact for education | 7,500.00 | 7,500.00 | ----- |
| 2268/2252 | Board of education (all expenses) | 35,000.00 | 32,000.00 | 3,000 |
| 2282/2420 | Territorial scholarship fund | 195,000.00 | 155,000.00 | 40,000 |
| 2462 | Trip to New York by CAIHS band | 5,000.00 | 5,000.00 | ----- |
| 2268 | Wilmot Blyden scholarship fund | 4,000.00 | 4,000.00 | ----- |
| 2268 | St. John scholarships | 12,000.00 | 12,000.00 | ----- |
| 2268 | Training programs (department) | 5,000.00 | 5,000.00 | ----- |
| 2268 | Teacher's training, Virgin Islands College | 6,000.00 | 6,000.00 | ----- |
| 2268 | Teacher's award fund | 1,000.00 | 1,000.00 | ----- |
| 2268 | Scholarships for medicine, law economics and accountancy, engineering and police training (26 at \$3,000 each.) | 78,000.00 | 78,000.00 | ----- |
| 2268 | Sheltered workshop, St. Croix | 22,000.00 | 22,000.00 | ----- |
| 2268 | Vocational education program (industrial arts) | 199,047.00 | 199,047.00 | ----- |
| 2268 | Manpower Development and Training Act | 25,000.00 | 25,000.00 | ----- |
| 2268 | Vocational rehabilitation program | 60,000.00 | 60,000.00 | ----- |
| 2268 | National Defense Education Act programs | 70,000.00 | 70,000.00 | ----- |
| 2268 | Adult basic education programs | 6,500.00 | 6,500.00 | ----- |
| 2268 | In-school neighborhood youth training programs | 12,500.00 | 12,500.00 | ----- |
| 2268 | Vocational education program (occupationally oriented) | 597,190.00 | 597,190.00 | ----- |
| 2268/2282/2316/2441/2452/T/P | Department of Public Works, St. Thomas and St. John | 4,835,543.00 | 4,802,405.00 | 33,138 |
| 2328 | Construction of incinerator, Susanaberg, St. John | 31,000.00 | ----- | 31,000 |
| 2268/2282/2316/2328/2441/2452/P | Department of Public Works, St. Croix | 2,939,428.00 | 2,783,962.00 | 155,466 |
| 2328 | Girl Scouts center at Estate St. Georges | 20,000.00 | 20,000.00 | ----- |
| 2328 | Construction restrooms, St. Croix | 10,000.00 | ----- | 10,000 |

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|--------------------------------------|--|----------------|----------------|------------|
| 2268/2316/2328/2441/S/T/2452/2409/P. | Department of Finance----- | \$2,310,145.30 | \$2,279,203.30 | \$30,942 |
| 2268----- | Income tax, other tax and license refunds----- | 75,000.00 | 75,000.00 | ----- |
| 2268----- | Internal Revenue stamp tax----- | 450.00 | 450.00 | ----- |
| 2268----- | Bonding of government officials and employees----- | 8,000.00 | 8,00.00 | ----- |
| 2268/2328----- | Claim fund contributions----- | 15,000.00 | 15,000.00 | ----- |
| 2268----- | Contribution to Unemployment Compensation Administration----- | 65,000.00 | 65,000.00 | ----- |
| 2268----- | Contribution to workmen's compensation fund----- | 184,458.00 | 184,458.00 | ----- |
| 2268/T----- | Contribution to utilities fund----- | 872,818.00 | 872,818.00 | ----- |
| 2223----- | College of the Virgin Islands----- | 1,500,000.00 | 1,500,000.00 | ----- |
| 2268----- | Virgin Islands Ecological Research Institute----- | 51,950.00 | 51,950.00 | ----- |
| 2268----- | Morris F. deCastro chair----- | 25,000.00 | 25,000.00 | ----- |
| 2268----- | Fisheries study----- | 6,834.00 | 6,834.00 | ----- |
| 2268----- | Repayment of loans from Virgin Islands lottery and government insurance fund----- | 24,014.00 | 24,014.00 | ----- |
| 2335----- | State technical services program----- | 29,880.00 | 29,880.00 | ----- |
| 2316----- | Matchable contribution for training program (titles VIII and IX)----- | 29,000.00 | 29,000.00 | ----- |
| 2453----- | St. Thomas carnival committee----- | 10,000.00 | 10,000.00 | ----- |
| 2268/2328/P----- | Department of Public Procurement----- | 896,867.00 | 871,102.00 | 25,765 |
| 2268/2316/T----- | Promotion and advertising----- | 216,666.00 | 195,974.00 | 20,692 |
| 2268/2316/2328/T----- | Equipment----- | 999,759.00 | 873,987.00 | 125,772 |
| 2268/2452----- | Contribution to transportation revolving fund----- | 50,795.00 | 50,795.00 | ----- |
| 2268/2282/2316/2408/2452/2477/T. | Rental of office space----- | 371,035.00 | 371,035.00 | ----- |
| 2248----- | Virgin Islands Public Television Commission (equipment).----- | 107,837.00 | 97,053.00 | 10,784 |
| 2268/2282/2328/T/P----- | Department of Public Safety----- | 3,614,534.00 | 3,590,385.00 | 24,149 |
| 2282----- | School crossing guards----- | 10,940.00 | 10,940.00 | ----- |
| 2274----- | Claim of Harvey B. Collins----- | 70,000.00 | 70,000.00 | ----- |
| 2268/2282/2328/2393/P/S----- | Department of Agriculture----- | 1,202,768.00 | 1,200,268.00 | 2,500 |
| 2268----- | Board of supervisors, soil conservation program----- | 4,500.00 | 4,500.00 | ----- |
| 2282/T----- | Tick eradication in the Virgin Islands, including African Bont Tick eradication----- | 134,823.00 | 134,823.00 | ----- |
| 2316/T----- | Forestry program----- | 23,677.00 | 23,677.00 | ----- |
| 2181----- | Claim of Juan Belardo----- | 10,000.00 | 10,000.00 | ----- |
| 2268/2282/2316/T/P----- | Department of Labor----- | 425,213.00 | 422,233.00 | 2,980 |
| 2268/2316/S/T----- | Department of Commerce----- | 1,683,824.00 | 1,683,824.00 | ----- |
| 2268----- | Caribbean tourist association----- | 15,000.00 | 15,000.00 | ----- |
| 2282----- | Virgin Islands-Vieques-Friendship Committee----- | 3,500.00 | 3,500.00 | ----- |
| 2282----- | Caribbean Travel Association----- | 1,500.00 | 1,500.00 | ----- |
| 2282----- | St. Croix festival committee----- | 15,000.00 | 15,000.00 | ----- |
| 2316/T----- | Fishing and water sports----- | 37,000.00 | 37,000.00 | ----- |
| 2268/2316/2328/2441/S/T/P----- | Department of Social Welfare----- | 3,094,418.00 | 3,062,778.00 | 31,640 |
| 2268/P----- | Aging Commission----- | 30,863.00 | 30,863.00 | ----- |
| 2268/P----- | Youth Commission----- | 28,435.00 | 28,435.00 | ----- |
| 2268/2286----- | Criminal Victims Compensation Commission----- | 59,000.00 | 59,000.00 | ----- |
| 2191----- | Sewing project—St. John----- | 15,000.00 | 15,000.00 | ----- |
| 2268/2316/2328/T/P----- | Department of Health----- | 8,168,493.00 | 8,034,203.00 | 134,290 |
| 2268----- | Insular contribution to formula grants----- | 2,017,324.00 | 2,017,324.00 | ----- |
| 2268/2452----- | Determination of eligibility under the provisions of title XIX (medical assistance)----- | 55,000.00 | 55,000.00 | ----- |
| 2268----- | Contribution of health scholarship fund including local scholarships----- | 50,000.00 | 50,000.00 | ----- |
| 2329/2452----- | Aedes Aegypti mosquito control program----- | 187,328.00 | 186,128.00 | 1,200 |
| 2452----- | Improvement and modernization of health buildings and grounds----- | 45,000.00 | 45,000.00 | ----- |
| 2268/2316/T/P----- | Department of Law----- | 491,380.00 | 466,988.00 | 24,392 |
| 2268/T/P----- | Department of Housing and Community Renewal----- | 505,079.00 | 504,239.00 | 750 |
| 2268----- | Grant to Virgin Islands housing authority----- | 24,300.00 | 24,300.00 | ----- |
| 2328----- | Contribution to homestead and home loan fund----- | 50,000.00 | 50,000.00 | ----- |
| 2328----- | Purchase of Land—Stony Ground-St. Croix----- | 45,000.00 | ----- | 45,000 |
| 2328----- | Acquisition of Land—St. Thomas----- | 47,500.00 | 47,500.00 | ----- |
| 2268/2282/2328/2394/2408----- | Department of Conservation and Cultural Affairs----- | 1,292,934.00 | 1,246,935.00 | 45,999 |
| 2316----- | Library Services Act of 1964----- | 50,870.00 | 50,870.00 | ----- |
| 2268----- | St. Thomas golf association----- | 6,000.00 | 6,000.00 | ----- |

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|-----------------------|---|---------------|---------------|------------|
| 2268..... | St. Croix museums..... | \$3,200.00 | \$3,200.00 | |
| 2268..... | St. Croix Landmarks, Inc..... | 10,000.00 | 10,000.00 | |
| 2268..... | Virgin Islands museums..... | 2,400.00 | 2,400.00 | |
| 2268..... | Council on arts..... | 50,000.00 | 50,000.00 | |
| 2268..... | Community bands..... | 12,000.00 | 12,000.00 | |
| 2463..... | Repairs to race track..... | 4,000.00 | | \$4,000 |
| 2268/2282/2406/T..... | Municipal Court of the Virgin Islands..... | 349,203.50 | 347,293.50 | 1,910 |
| 2268/T..... | Office of the Supervisor of Elections..... | 50,200.00 | 49,340.00 | 860 |
| 2268/T..... | Board of Elections, St. Thomas..... | 34,326.00 | 33,806.00 | 520 |
| 2268/T..... | Toard of Elections, St. Croix..... | 35,068.00 | 34,598.00 | 470 |
| 2268..... | Board of Elections, St. John..... | 14,240.00 | 14,065.00 | 175 |
| | Miscellaneous..... | | | |
| 2268/2313/2452..... | Salary increases and pay plan..... | *100,108 | | 100,108 |
| 2268..... | Summer employment..... | (**) | | |
| 2236..... | Virgin Islands airport and industrial resources agency..... | 56,681.00 | 56,681.00 | |
| 2328..... | Construction of building for the division of personnel, St. Thomas..... | 35,000.00 | | 35,000 |
| 2312..... | Air show—St. Croix..... | 15,000.00 | 15,000.00 | |
| | Totals..... | 54,400,131.50 | 53,311,825.50 | 1,088,306 |

P—Pay plan, \$2,500,000; S—Summer employment; T—Transfer of funds.

*\$2,750,000 appropriated; \$2,649,892 allotted.

**\$100,000 appropriated and allotted.

APPROPRIATIONS AVAILABLE UNTIL EXPENDED

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|----------------|--|--------------|--------------|------------|
| | The legislature: | | | |
| 1698..... | Special committee to study pay plan..... | \$5,000.00 | | \$5,000 |
| 1938..... | Virgin Islands Day in Continental United States..... | 5,000.00 | | 5,000 |
| 2026..... | Virgin Islands Citizenship Day committee..... | 5,000.00 | | 5,000 |
| 2246..... | Committee on feasibility of right hand driving. | 600.00 | \$600.00 | |
| | Office of the Governor: | | | |
| 1503..... | Fiftieth anniversary of the transfer of the Virgin Islands..... | 3,000.00 | | 3,000 |
| 1733..... | Caribbean Economic Development Corp..... | 2,000.00 | | 2,000 |
| 1587..... | Flood and soil erosion control study..... | 5,000.00 | | 5,000 |
| 1910..... | Virgin Islands planning board study of Christiansted entrance. | 1,000.00 | | 1,000 |
| 1920..... | Development of Coral Bay harbor..... | 10,000.00 | | 10,000 |
| 1996/T..... | In depth study of personnel management..... | 2,939.59 | 2,939.59 | |
| 2238/2429..... | Reorganization of the Government of the Virgin Islands..... | 100,000.00 | 60,000.00 | 40,000 |
| 2281..... | Purchase of land at Lindberg Bay..... | 35,000.00 | 35,000.00 | |
| 2478..... | Deficiency appropriation..... | 2,500,000.00 | 2,048,012.00 | 451,988 |
| | Office of civil defense: | | | |
| 2267..... | Purchase and installation of sirens..... | 14,000.00 | | 14,000 |
| | Division of personnel: | | | |
| 2463/2475..... | Summer employment..... | 550,000.00 | 35,000.00 | 515,000 |
| | Office of the government secretary: | | | |
| 2458..... | Purchase of reprint pamphlets of the Virgin Islands Code and binders for the Virgin Islands slip laws and Virgin Islands Register..... | 5,000.00 | 5,000.00 | |
| 2458..... | Replacement volumes of Virgin Islands Code. | 22,000.00 | 22,000.00 | |
| | Department of Education: | | | |
| 2381..... | Leave of absence for Edith M. Leerdam..... | 600.00 | 600.00 | |
| 2461..... | Repair Diamond Scout Center..... | 5,000.00 | 5,000.00 | |
| | Department of Public Works: | | | |
| 977..... | Potable water at Grove Place..... | 50,000.00 | | 50,000 |
| 1172..... | Construction of wing at Carenage Clinic..... | 15,000.00 | | 15,000 |
| 1257..... | New airport study and acquisition of land..... | 300,000.00 | 300,000.00 | |
| 1375..... | Hardsurfacing of St. Peter Mt. Road to Hull. | 21,000.00 | 21,000.00 | |
| 1727/2239..... | Construction of bus shelters..... | 30,000.00 | 15,000.00 | 15,000 |
| 1377..... | Public improvement, St. John..... | 25,000.00 | | 25,000 |
| 1379..... | Purchase of land for Public Works Department, St. John Post Office. | 40,000.00 | | 40,000 |
| 1382..... | Concrete paving at Altona Well alley..... | 10,000.00 | 10,000.00 | |
| 1718..... | Naming of all unnamed streets..... | 1,000.00 | | 1,000 |
| 1722..... | Extension of street lights and power lines..... | 15,000.00 | | 15,000 |
| 1914..... | Study of modern lighting for the Virgin Islands. | 5,000.00 | | 5,000 |
| 2369..... | Improvements to water systems in St. Croix. | 10,000.00 | | 10,000 |
| 1926..... | Construction of sewage treatment unit..... | 40,000.00 | | 40,000 |

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|---------------------|---|--------------------|--------------|------------|
| 2162..... | Construction of public comfort stations..... | \$21,000.00 | | \$21,000 |
| 2204..... | Extension of potable water system to Golden Rock area..... | 10,000.00 | | 10,000 |
| 2476..... | All expenses—road repairs, St. Thomas and St. Croix. | 200,000.00 | | 200,000 |
| | Department of Property and Procurement: | | | |
| 858..... | Acquisition of land for public scenic highway..... | 100,000.00 | | 100,000 |
| 912/1170/2326..... | Funds for property acquisition (Ross Estate \$5,000, Estate Nazareth \$300,000). | 305,000.00 | \$300,000.00 | 5,000 |
| 2017..... | Purchase of land at Estate LaGrange..... | 34,000.00 | 25,000.00 | 9,000 |
| 1924..... | 15 percent differential in purchases or contracts. | 15,000.00 | | 15,000 |
| 2267..... | Head Start program—St. Croix..... | 15,000.00 | 15,000.00 | |
| | Department of Health: | | | |
| 1073..... | Temporary health insurance..... | 1,000.00 | | 1,000 |
| 1575/1953/2333..... | Educational program for mentally retarded children. | 3,667.00 | | 3,667 |
| 2267..... | Insular contribution to formula grants..... | 143,000.00 | | 143,000 |
| 2269..... | Practical nursing training program..... | 46,388.00 | 41,749.00 | 4,639 |
| 2370..... | Study leave for Lilian Matthews..... | 2,500.00 | 2,500.00 | |
| 2401..... | Special Commission on the Status and Problems of Non-Citizens in the Virgin Islands..... | 20,000.00 | 20,000.00 | |
| 2403..... | Virgin Islands commission for human resources. | 15,000.00 | 15,000.00 | |
| | Department of Finance: | | | |
| 1467..... | Unliquidated encumbrances..... | 5,000.00 | | 5,000 |
| 2186..... | Contribution to Virgin Islands urban renewal board. | 35,000.00 | 35,000.00 | |
| 2186..... | Taarneberg—Ross urban renewal projects. | 297,600.00 | 297,600.00 | |
| 2336/2459..... | Emergency molasses fund..... | 70,700.00 | 56,700.00 | 14,000 |
| 2367..... | Virgin Islands board for licensing of barbers, beauticians and manicurists. | 1,000.00 | 1,000.00 | |
| | Department of Housing and Community Renewal: | | | |
| 955..... | Transfer of land at Estate Profit..... | 15,000.00 | | 15,000 |
| 2065..... | Construction of demonstration houses..... | 22,000.00 | 22,000.00 | |
| 2227..... | Disposal of land at Estate Contant..... | 60,000.00 | 60,000.00 | |
| 2491..... | Construction of housing projects..... | 540,000.00 | | 540,000 |
| | Department of Agriculture: | | | |
| 2122..... | Cost study for development of the spring and water hole at Banana Gut, St. John. | 500.00 | | 500 |
| 2275..... | Grant to match Federal contribution to outdoor recreation. | 80,000.00 | 80,000.00 | |
| 2275..... | Improvement to beach area, Frederiksted. | 50,000.00 | | 50,000 |
| 2239..... | Construction of tables for market vendors. | 3,000.00 | | 3,000 |
| 2065..... | Renovation of fish houses, Christiansted and Frederiksted. | 20,000.00 | | 20,000 |
| | Department of Labor: | | | |
| 2075/2334..... | Erection of Virgin Islands war veterans monument. | 10,500.00 | 10,500.00 | |
| | Department of Public Safety: | | | |
| 1733..... | Protective clothing and equipment. | 2,000.00 | 2,000.00 | |
| 2461..... | Improvement of recreational facilities including paving of basketball court at Richmond Penitentiary, St. Croix. | 5,000.00 | | 5,000 |
| 2461..... | Restoration and improvement of King's Hill police station, St. Croix. | 35,000.00 | | 35,000 |
| 2461..... | Narcotics laboratory..... | 20,000.00 | | 20,000 |
| | Department of Law: | | | |
| 2306..... | Annual conference of the National Association of Attorneys General. | 25,000.00 | 25,000.00 | |
| | Department of Conservation and Cultural Affairs: | | | |
| 2149/2395..... | Construction of race track and acquisition of related equipment and for the purchase of all necessary and adjoining land. | 53,000.00 | 19,300.00 | 33,700 |
| 2470..... | Study leave for translator..... | 5,000.00 | 5,000.00 | |
| | Total | 6,119,994.59 | 3,593,500.59 | 2,526,494 |

REAPPROPRIATION OF CERTAIN PROJECTS

| Act No. | Departments or agencies | Appropriated | Allotted | Unallotted |
|-----------|--|----------------------|----------------------|---------------------|
| | Virgin Islands airport and industrial resources agency: | | | |
| 2237----- | Preparation of master plan for the new airport at lagoon area, St. Thomas. | \$57,000.00 | \$57,000.00 | ----- |
| | Department of Public Works: | | | |
| 2322----- | Paving of U.S.O. yard—Frederiksted----- | 3,000.00 | 3,000.00 | ----- |
| | Department of Agriculture: | | | |
| 2350----- | Improvements at Flamboyant Park including sanitary facilities and rental of paramutual machines, radio advertisements, and purchase of construction materials. | 37,202.60 | ----- | \$37,202.60 |
| | Totals----- | 97,202.60 | 60,000.00 | 37,202.60 |
| | Grand totals----- | 60,975,895.60 | 56,965,326.00 | 3,652,002.60 |

APPENDIX H

REPORT OF CASES HANDLED BY THE BUREAU OF INVESTIGATION FOR THE YEAR BEGINNING JULY 1, 1968, AND ENDING JUNE 30, 1969

| Type of offenses | Number of offenses handled | Type of offenses | Number of offenses handled |
|---------------------------------|----------------------------|---|----------------------------|
| Criminal Homicide: | | | |
| Murder..... | 5 | Forgery..... | 39 |
| Manslaughter..... | 0 | Embezzlement..... | 5 |
| Manslaughter by negligence..... | 4 | Weapon possession..... | 2 |
| Rape..... | 24 | Prostitution and commercialized vice..... | 5 |
| Robbery..... | 29 | Sex offenses (sodomy)..... | 0 |
| Aggravated assault..... | 6 | Offenses against family and children..... | 0 |
| Assault first..... | 17 | Narcotic drug laws..... | 20 |
| Burglary..... | 245 | Gambling and vagrancy..... | 0 |
| Petit larceny..... | 91 | Stolen property..... | 0 |
| Grand larceny..... | 279 | All other offenses..... | 0 |
| Extortion..... | 20 | Auto theft..... | 6 |
| Other assaults..... | 3 | Total amount of cases handled..... | 803 |
| Mayhem..... | 3 | | |

